



March 14, 2016

TO: Members, Subcommittee on Energy and Power  
FROM: Committee Majority Staff  
RE: Subcommittee Markup

---

## I. INTRODUCTION

The Subcommittee on Energy and Power will meet in open markup session at 10:00 a.m. on Wednesday, March 16, 2016, in 2322 Rayburn House Office Building to consider H.R. \_\_\_\_, the “Pipeline Safety Act of 2016.”

In keeping with Chairman Upton’s announced policy, Members must submit any amendments they may have two hours before they are offered during this markup. Members may submit amendments by email to peter.kielty@mail.house.gov. Any information with respect to an amendment’s parliamentary standing (e.g., its germaneness) should be submitted at this time as well.

## II. EXPLANATION OF LEGISLATION

### H.R. \_\_\_\_, the “Pipeline Safety Act of 2016”

On February 26, 2016, the Committee released a Discussion Draft entitled the “Pipeline Safety Act of 2016,” and on March 1, 2016, the Subcommittee on Energy and Power held a hearing on the Discussion Draft. The Discussion Draft contains spending authorizations for the Pipeline and Hazardous Materials Safety Administration (PHMSA) and targeted mandates to increase transparency and accountability, complete overdue regulations, and improve safety.

#### Section 1. Short title; References; Table of Contents.

Section 1 provides the short title of the “Pipeline Safety Act of 2016.”

#### Section 2. Regulatory Updates.

Section 2 requires the Secretary of Transportation to report to Congress on outstanding regulations for which no interim or final rule has been issued. The contents of the report shall include, for each outstanding regulation, a description of the work plan, timeline, current staff allocations, resource constraints, and any other details that affect the progress of the rulemaking process.

### Section 3. Statutory Preference.

Section 3 requires the Administrator of PHMSA to complete the rulemaking process for regulations required by the Pipeline Safety Act of 2011 or any other law for which more than two years have passed since the statutory deadline before beginning any new rulemaking process. This section provides an exception to allow the Administrator to begin a new rulemaking if the Secretary of Transportation determines there is a significant need and notifies Congress.

### Section 4. Integrity Management Review.

Section 4 requires the Comptroller General to report to Congress on integrity management programs for natural gas and liquid pipeline facilities. The contents of the report shall include analysis of the extent to which integrity management programs have improved safety; an analysis of, and recommendations regarding ways to enhance pipeline safety; and a description of any challenges affecting regulators in their oversight of and operators in complying with the requirements of the integrity management programs.

### Section 5. Technical Safety Standards Committees.

Section 5 requires the Secretary to consult with “utility regulators,” in addition to a national organization representing State commissioners, when choosing participants for technical safety standards committees.

### Section 6. Inspection Report Information.

Section 6 requires the Secretary of Transportation, no later than thirty days after the completion of a pipeline inspection, to conduct a post-inspection briefing with the operator outlining any concerns and, to the extent practicable, provide written findings of the inspection. The written findings may include a final report, notice of amendment of plans or procedures, safety order, corrective action order, or any other applicable report, notice, or order.

### Section 7. Improving Damage Prevention Technology.

Section 7 requires the Secretary of Transportation to conduct a study and report to Congress on methods to improve damage prevention programs for pipeline facilities.

### Section 8. Direct Hire Authority for Pipeline and Hazardous Materials Safety Administration.

Section 8 provides the Administrator of PHMSA with the authority to appoint qualified candidates to positions without regard to sections 3309 through 3319 of title 5, United States Code until December 31, 2019. This section also requires a report to Congress on the use of the authority provided and efforts to hire women, minorities, and veterans as inspectors.

Section 9. Information-Sharing System.

Section 9 requires the Secretary of Transportation to convene a working group to consider the development of a voluntary information-sharing system to encourage collaborative efforts to improve inspection information feedback and information sharing. The working group shall include representatives from PHMSA, industry stakeholders, safety advocates, research institutions, State pipeline safety inspectors, and labor representatives.

Section 10. Nationwide Integrated Pipeline Safety Regulatory Database.

Section 10 requires the Secretary of Transportation to report to Congress on the feasibility of establishing a nationwide integrated pipeline safety regulatory inspection database to improve communication and collaboration between PHMSA and State pipeline regulators.

Section 11. Underground Gas Storage Facilities.

Section 11 requires the Secretary of Transportation to issue minimum, uniform safety standards for the operation and integrity management of underground gas storage facilities no later than two years after the date of enactment.

Section 12. Requirements for Certain Hazardous Liquid Pipeline Facilities.

Section 12 requires operators of onshore, underwater pipeline facilities located at depths greater than 150 feet below the surface to conduct internal inspections (also known as “pigging”) annually, and other types of integrity assessments on a risk-based schedule.

Section 13. Response Plans.

Section 13 requires PHMSA and the pipeline operator to ensure that emergency response plans include procedures and a list of resources for responding to a worst case discharge of oil, including when it may impact navigable waters or adjoining shorelines that may be covered in whole or in part by ice.

Section 14. High Consequence Areas.

Section 14 provides that the Secretary of Transportation shall consider the Great Lakes to be a USA ecological resource (as defined in section 195.6(b) of title 49, Code of Federal Regulations) for the purposes of determining whether a pipeline is in a high consequence area (as defined in section 195.450 of that title).

Section 15. Emergency Operation Controls.

Section 15 provides the Secretary of Transportation with emergency authority to order operational controls, restrictions, prohibitions, and safety measures as may be necessary to abate an imminent hazard that presents a substantial likelihood of death, severe personal injury, or significant harm to property or the environment. Under this section, the Secretary may issue or

extend an order for a 30-day period and pipeline operators have the ability to request a review of the action. If the review is not completed by the end of a 30-day period, the action will cease to be effective.

Section 16. Pipeline Safety Information Grants to Communities.

Section 16 prohibits pipeline safety information grants (also known as “technical assistance grants”) from being used for direct or indirect lobbying, advocacy in relation to a pipeline construction or expansion project, or in support of litigation. Section 16 also prohibits grants to any nongovernmental organization engaged in these activities. For the purposes of this section, the term “advocacy” means an activity carried out to induce support of, or opposition to, proposed or pending Federal, State, or local legislation (including appropriations), regulation, administrative action, or order. Public education efforts and the promotion of public participation in official proceedings remains permitted under the grant program.

Section 17. Authorization of Appropriations.

Section 17 reauthorizes PHMSA’s gas and hazardous liquid programs, One-Call Notification program, Emergency Response Grants, Community Pipeline Safety Information Grants, State Damage Prevention programs, and Pipeline Integrity programs.

**III. STAFF CONTACTS**

If you have any questions regarding this hearing, please contact Brandon Mooney or Tom Hassenboehler of the Committee staff at (202) 225-2927.