

**U.S. House Committee on Energy and Commerce**  
**Subcommittee on Energy, Climate, and Grid Security**  
**“Fueling America’s Economy: Legislation to Improve Safety and Expand U.S.**  
**Pipeline Infrastructure.”**  
**[January 18, 2024]**

1. Letter to PHMSA Deputy Administrator Brown from Chairs Rodgers, Duncan, and Johnson, May 9, 2023, submitted by the Majority.
2. Letter to Chair Duncan and Ranking Member DeGette from the American Gas Association, January 17, 2024, submitted by the Majority.
3. Letter to Chair Duncan and Ranking Member DeGette from the Interstate Natural Gas Association of America, January 18, 2024, submitted by the Majority.

CATHY McMORRIS RODGERS, WASHINGTON  
CHAIR

FRANK PALLONE, JR., NEW JERSEY  
RANKING MEMBER

ONE HUNDRED EIGHTEENTH CONGRESS  
**Congress of the United States**  
**House of Representatives**  
COMMITTEE ON ENERGY AND COMMERCE  
2125 RAYBURN HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515-6115  
Majority (202) 225-3641  
Minority (202) 225-2927

May 9, 2023

Mr. Tristan Brown  
Acting Administrator  
Pipeline and Hazardous Materials Safety Administration  
U.S. Department of Transportation  
1200 New Jersey Avenue, S.E.  
Washington, DC 20590

Dear Acting Administrator Brown:

We write to request information regarding the Pipeline and Hazardous Materials Safety Administration's (PHMSA) pipeline safety programs and the agency's implementation of the *Protecting Our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act of 2020*, in addition to other recently enacted laws. As you know, pipelines are among the safest and most efficient modes of transport for fuels and feedstocks that power our nation's economy. PHMSA and the States must coordinate effectively to ensure the nation's existing 3.3 million miles of pipelines are operated and maintained in a manner that is safe and reliable. PHMSA also has an important role to review proposals for new pipelines and liquified natural gas (LNG) facilities within a timely manner to modernize and upgrade the nation's infrastructure, reduce costs, and improve the reliability of energy for the American people.

As the Committee of jurisdiction overseeing your agency, the Energy and Commerce Committee and its members will exercise legislative and oversight authorities to ensure PHMSA complies with its statutory authorities and maintains focus on its public safety mission. As the Committee considers reauthorizing the nation's pipeline safety laws, we are committed to ensuring that PHMSA and States that have assumed primary safety authority have the necessary resources to ensure the safe and efficient transportation of natural gas, liquid fuels, and feedstocks for manufacturing and agriculture. We are conducting a thorough review of existing pipeline safety laws and the status of their implementation. We are also reviewing recent safety incidents to ensure that PHMSA, State regulators, and pipeline operators are incorporating lessons learned, integrating new technologies, and continuing to improve safety.

There are numerous overdue congressional mandates and open rulemakings that have not been finalized by PHMSA. We also understand that PHMSA has assumed new responsibilities

and directives from recently enacted laws and Executive Orders, which may have delayed the implementation of the *PIPES Act* and outstanding mandates from prior pipeline safety laws.

To assist in our review of PHMSA's pipeline safety programs, please provide the following information by May 23, 2023:

1. The status of *PIPES Act* implementation and a list of all overdue congressional mandates and outstanding regulations;
2. A list of all official meetings, working groups, and advisory committee meetings conducted on or after January 20, 2021, including a description of participants and a summary of events;
3. A list of all grants and awards issued by PHMSA since January 20, 2021, including the amount, the recipient, and the specific statutory authority authorizing such grant or award;
4. A list of all regulatory actions and enforcement proceedings conducted on or after January 20, 2021;
5. On April 21, 2023, President Biden signed an "Executive Order to Revitalize Our Nation's Commitment to Environmental Justice for All," requiring a "whole-of-government" approach to environmental justice. Does this Executive Order apply to PHMSA, and if so, how does PHMSA plan to comply with the Executive Order;
6. Does PHMSA track criminal acts that damage pipelines? If so, please provide a list of all such acts on or after January 20, 2021; and,
7. On May 5, 2023, PHMSA proposed a new rule for gas pipeline leak detection and repair pursuant to Section 113 of the *PIPES Act*. By law, PHMSA is required to conduct a risk assessment and cost-benefit analysis, so all new regulations are cost-effective.
  - a. Has PHMSA estimated the compliance costs of the proposed regulation?
  - b. How much does PHMSA expect the proposed regulation will increase the price of natural gas for American consumers?
  - c. How does PHMSA estimate environmental costs and benefits? Does PHMSA estimate environmental costs and benefits related to climate change that are incurred outside the United States for use in agency rulemakings?
  - d. Does PHMSA utilize the Social Cost of Carbon, the Social Cost of Methane, or other tools or models to estimate environmental costs related to climate change?

Mr. Tristan Brown

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- e. How does PHMSA define “equity benefits”, a term used in the May 5, 2023 proposal? Please describe PHMSA’s statutory authority and methodology for estimating “equity benefits” for use in agency rulemaking.

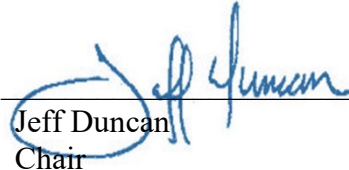
If you have any questions about this request, please contact Brandon Mooney, Elise Krekorian, or Mary Martin with the Majority staff at (202) 225-3641.

Sincerely,



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Cathy McMorris Rodgers  
Chair  
Committee on Energy and Commerce



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Jeff Duncan  
Chair  
Subcommittee on Energy, Climate, and  
Grid Security



January 17, 2024

The Honorable Jeff Duncan  
Chairman  
House Energy and Commerce Committee  
Subcommittee on Energy, Climate and Grid Security  
United State House of Representatives

The Honorable Diana DeGette  
Ranking Member  
House Energy and Commerce Committee  
Subcommittee on Energy, Climate and Grid Security  
United State House of Representatives

Dear Chairman Duncan and Ranking Member DeGette:

The American Gas Association (AGA) is pleased to provide our input for the Subcommittee on Energy, Climate, and Grid Security hearing on *Fueling America's Economy: Legislation to Improve Safety and Expand U.S. Pipeline Infrastructure*. 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, most reliable in the world. We look forward to working with the Energy and Commerce Committee on pipeline safety reauthorization legislation to help achieve these goals.

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.

Distribution pipelines are operated by natural gas utilities, or local distribution companies (LDCs). Gas utility 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.

### **Our Number One Priority: Pipeline Safety**

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 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), a comprehensive risk-based regulation that adds a layer of protection to prescriptive federal regulations, state regulations that go beyond federal regulations, and voluntary LDC operated safety programs. DIMP allows individual LDCs to develop safety plans appropriate for the unique operating characteristics of their individual distribution delivery systems. DIMP requires all LDCs to understand their system (design, material, operating conditions, environment, maintenance, operating history, etc.); manage threats to system integrity (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 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 nearly 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 have declined 50 percent and serious incidents have declined nearly 80 percent. Notably, the primary cause of these incidents is excavation damage which accounted for 35 percent of significant incidents and 28 percent of serious incidents in the past 20 years. While we have seen improvement, one incident is one too many and we look forward to working with all relevant partners to further reduce incidents.

### *Pipeline Safety Management Systems (PSMS)*

LDCs are at the forefront of voluntarily implementing PSMS, a systematic approach to managing and improving pipeline safety. PSMS is a "Plan-Do-Check-Act" cycle which helps operators understand, manage, and continuously improve safety within 10 specific areas. Ultimately, these actions drive the industry towards its zero-incident goal by providing that the various components of PSMS are regularly reviewed and continually evolving. 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 system(s) that promote self-disclosure and a collaborative culture between regulators and operators. The AGA Board of Directors has recommended that all of its members implement PSMS in their organizations.

### *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* which is 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 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. AGA asks the subcommittee to consider 5 high-level principles, most of them included in the *Promoting Innovation in Pipeline Efficiency and Safety (PIPES) Act of 2023* (H.R. 6494), as passed, when drafting corresponding and complementary reauthorization legislation:

**Support Limiting Pipeline Excavation Damage Incidents.** Excavation damage is the primary cause of distribution pipeline incidents. According to PHMSA data, in the past 20 years, excavation damage incidents on natural gas pipelines have resulted in 57 deaths, 254 injuries, and \$354 million in property damage. 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 excavation damage 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 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 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 to 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 technological alternatives that, if utilized, will meet the intent of existing pipeline safety regulations and provide an equal or greater level of pipeline safety.

**Strengthen Criminal Penalties for Damage to Pipelines.** 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 customers. AGA supports increased criminal penalties on bad actors who intentionally damage, destroy or impair pipelines and pipeline facilities, including those under construction. *We are pleased the Energy and Commerce draft reauthorization legislation addresses this concern.*

**Hydrogen-Natural Gas Blending R&D Study.** 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 review 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.** 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. *We are pleased the Energy and Commerce draft reauthorization legislation includes a useful VIS provision.*

**5-Year Reauthorization for PHMSA's Pipeline Safety Program.** 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 consideration of input from all stakeholders), 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 5 years. *We are pleased that the Energy and Commerce draft reauthorization legislation includes a recommended 5-year reauthorization period.*

### **Comments on the Pipeline Safety, Modernization, and Expansion Act of 2023 (Draft)**

AGA generally supports the concepts outlined in the draft *Pipeline Safety, Modernization, and Expansion Act of 2023*, where applicable to gas distribution and intrastate pipeline companies. Below are our comments on relevant draft sections.

**Section 2. Minimum Safety Standards** seeks to expand PHMSA's application of cost-benefit analysis of proposed pipeline safety regulations by including consideration of "safety and economic benefits within the United States." AGA has long supported PHMSA's application of cost-benefit analysis to proposed pipeline safety regulations. Cost-benefit analysis helps ensure that only feasible, reasonable, cost-effective, and practical rulemakings proceed, that the interests of the public, the pipeline sector and other stakeholders are considered appropriately, and helps prevent protracted, unnecessary, and expensive litigation over ill-considered rulemakings. AGA supports statutory changes that improve or enhance this process.

**Section 4. Technical Safety Standards Committee** would require PHMSA to conduct additional technical safety advisory meetings so industry, the public, and relevant government entities can more regularly review proposed pipeline safety regulations. AGA and its members actively participate in meetings of PHMSA's Gas Pipeline Advisory Committee, a "technical safety standard committee" which reviews proposed regulations for practicability, technical feasibility, and cost-effectiveness. As recently as last November, AGA participated in GPAC meetings that evaluated PHMSA's leak detection and repair rulemaking required by the 2020 pipeline reauthorization bill. GPAC meetings are critical. They bring together industry, government entities and the public to ensure proposed regulations reflect pipeline sector operational and engineering principles, are practical and useful, and fundamentally improve pipeline safety. We strongly support any effort to enhance the use of this important committee.

**Section 5. Strengthening Penalties for Pipeline Safety Violations.** AGA supports, per our pipeline safety reauthorization priorities covered in the previous section.

**Section 6. Authorization Levels.** AGA supports a 5-year reauthorization period, per our pipeline safety reauthorization priorities.

**Section 7. Pipeline Safety Enhancement Programs** orders PHMSA to conduct a pilot program to test pipeline safety technologies and integrity management practices designed to meet or exceed safety regulations. While this program is not likely to involve many distribution operations, AGA supports programs aimed at testing new safety technologies. *Per AGA's reauthorization priorities, we encourage the*



committee to consider requiring PHMSA 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.

**Section 8. Pipeline Safety Voluntary Information Sharing (VIS) System.** AGA supports, per our pipeline safety reauthorization priorities covered in the previous section.

**Section 9. Protecting Fuel Choice for Consumers** would prohibit states and localities from banning the transportation of an energy source, including natural gas, sold in interstate commerce using a pipeline facility regulated by PHMSA. AGA generally opposes efforts to limit consumer choice in the utility marketplace. Eliminating natural gas utility service wastes taxpayer dollars by stranding pipeline infrastructure, casts aside decades worth of pipeline operation, maintenance, and expansion programs that consumers are already paying for in their utility bills and offers little to no attendant environmental benefits. More concerning, eliminating gas service to consumers, particularly low-income households, is economically unjustifiable. Natural gas is the most efficient and lowest cost option available to American consumers. Households using natural gas for heating, cooking, and clothes drying save an average of \$1,100 per year over electric alternatives. State and local gas bans are little more than ill-considered policy enforced electrification programs that saddle those who can afford it least with new electric service, appliance, and installation costs that can run into thousands of dollars per household. Recognizing how abundant, clean, and affordable natural gas is helping our nation achieve its energy goals, 26 states have passed “fuel choice laws” guaranteeing that natural gas remains a consumer utility option.

**Section 10. Modernizing and Expanding Pipelines** would grant the Federal Energy Regulatory Commission (FERC) the authority to speed approval for pipeline projects currently under construction and for new pipelines to be located in existing infrastructure right-of ways. *Because this section focuses on permitting FERC regulated interstate pipelines, its direct applicability to downstream intrastate or distribution pipelines would be limited.* Nevertheless, as customers of FERC regulated interstate pipelines, LDCs are secondarily impacted by any policy that improves permitting capacity and interstate pipelines’ ability to better serve distribution customers. As such, we are generally supportive of opportunities to streamline interstate pipeline review and approval processes.

**Section 11. Regulatory Updates** would require PHMSA to report to Congress on progress in addressing outstanding regulations and overdue congressional mandates required by prior pipeline safety laws. AGA supports this effort to keep PHMSA focused on its regulatory responsibilities.

## 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.

Respectfully,



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



January 18, 2024

The Honorable Jeff Duncan  
Chairman  
Energy Subcommittee on Energy, Climate, and Grid Security  
United States House of Representatives  
2125 Rayburn House Office Building  
Washington, DC 20515

The Honorable Diana DeGette  
Ranking Member  
Energy Subcommittee on Energy, Climate, and Grid Security  
United States House of Representatives  
2125 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Duncan and Ranking Member DeGette,

I am writing to offer the views of the Interstate Natural Gas Association of America (INGAA) on the Pipeline Safety, Modernization, and Expansion Act of 2023, which would reauthorize the Office of Pipeline Safety for five years within the Pipeline and Hazardous Materials Safety Administration (PHMSA).

INGAA is a trade association representing the interstate natural gas pipeline and storage industry. Our members transport the vast majority of the natural gas consumed in the United States through a network of approximately 200,000 miles of interstate transmission pipelines. These large capacity, critical infrastructure systems are analogous to the interstate highway system and span multiple states or regions. Our industry delivers natural gas to end users such as local distribution companies, electricity generators, industrial manufacturers, and LNG export facilities.

For more than a decade, the shale revolution has gifted our country with abundant natural gas supplies, which has elevated the need for additional infrastructure to move gas around the country. Pipelines make it possible to deliver North America's abundant natural gas reserves to fuel our homes, businesses, and the American economy, and are the safest and most efficient way to transport this critical energy source.

INGAA's members deliver clean, abundant, affordable natural gas throughout North America. As demand for energy increases, expanded use of natural gas has helped improve air quality across the country by offsetting the use of higher carbon-intensive fuels. According to the Energy Information Administration, between 2005 – 2019, carbon dioxide emissions from the U.S power sector declined by 33 percent, with natural gas accounting for more than half of those reductions. We are committed to modernizing our nation's interstate natural gas delivery network infrastructure, lowering emissions from our operations, and mitigating the impacts of

climate change by working together as an industry towards achieving net-zero greenhouse gas (GHG) emissions by 2050.

The INGAA membership is committed to transporting natural gas in a safe, reliable, and environmentally responsible manner. Our industry has a long history of supporting Congress' enactment of bipartisan pipeline safety reauthorization measures that helped improve the safe operation and maintenance of critical energy infrastructure. We applaud the Subcommittee's interest in advancing legislation to enhance the safety of our nation's pipeline network. As the Subcommittee begins considering this measure, we request it be advanced through a bipartisan process as we believe that is the best way to ensure pipeline safety reauthorization legislation becomes law. I also ask that you consider the following six key issues of importance to the natural gas transmission pipeline industry.

**1. INGAA's number one priority is safety, and we support having a strong safety regulator.**

The U.S. Department of Transportation, PHMSA, other regulators, and industry experts have agreed for decades that pipelines are the safest mode of energy transportation. Accidents are rare, and INGAA's members are committed to constantly improving with a goal of zero pipeline incidents.

INGAA fundamentally believes in having a strong safety regulator. We support robust, durable regulations led by PHMSA, our primary safety regulator, to ensure that all operators are held accountable for operating their systems in the safest manner possible. Therefore, we take our commitment to safety seriously and appreciate the role that PHMSA plays to ensure that industry maintains its focus, and the public is confident in the safety and reliability of natural gas pipelines.

Pipeline companies consider safety every step of the way, from planning, to construction, and maintenance. Our members purchase top-quality materials, address any potential safety or security issues during the pipeline planning and citing processes, and conduct consistent quality and safety checks throughout the construction process. Once operational, pipeline companies work to prevent releases by evaluating, inspecting, and maintaining pipelines.

As part of ongoing safety efforts, pipeline companies conduct integrity management and continuous improvement programs in evaluation, inspection, and maintenance. A critical component of integrity management programs is the use of in-line inspection (ILI) tools, sometimes called "smart pigs." Operators run these tools to detect any potentially harmful defects in pipelines. These modern methods of pipe inspection have improved greatly over the last 30 years and are more effective, efficient, and environmentally sound compared to other assessment methods, with the added benefit of not significantly interrupting pipeline operations.

INGAA's commitment to safety has been an essential priority for years. After the unfortunate and tragic incident in San Bruno, California, in 2010, our member companies worked proactively to improve the industry's safety performance. This effort developed a set of guiding principles for pipeline safety, anchored around a goal of zero pipeline incidents, titled the "Integrity Management, Continuous Improvement" (IMCI) program. Since its inception, industry has

made rapid advances in safety technology and practices in continuous pursuit of achieving this goal.

We recently updated the IMCI program to ensure the reliability and resiliency of our infrastructure as work continues to safely support the energy transition and evolve to a net-zero GHG economy. In addition, we are focused on advancing safety from newer technologies that will hopefully become more widespread throughout the industry and by regulators. This updated effort, titled IMCI 2.0 was created with the input of PHMSA, the National Transportation Safety Board, the National Association of Regulatory Utility Commissioners, the National Association of Pipeline Safety Representatives, and the Pipeline Safety Trust. The IMCI effort follows five guiding principles:

- Our goal is zero incidents;
- We are committed to a strong safety culture;
- We will be relentless in our pursuit of improving by learning;
- We are committed to implementing and continuously improving pipeline safety management systems; and
- We will regularly engage our stakeholders.

INGAA's work on the IMCI 2.0 program was recently completed and we plan to share the results with key stakeholders later this year.

## **2. PHMSA should complete its work on the class location rulemaking and issue a final rule.**

INGAA's top regulatory priority with PHMSA is completion of the class location rulemaking, which presents opportunities to increase safety and protect the environment. The class location change regulations have not been substantively updated in more than 50 years and revising them has been an INGAA goal for more than two decades. We were pleased that PHMSA issued a Notice of Proposed Rulemaking (NPRM) on the class location rule in October 2020. Industry was also greatly appreciative that Congress included a provision in the enacted 2020 PIPES Act that required the agency to hold a Gas Pipeline Advisory Committee (GPAC) meeting to review the NPRM by the end of 2021.

This proposed rulemaking would address scenarios where population changes around our pipelines necessitate changes to existing pipeline infrastructure. When a class location change occurs, the current regulations may require operators to replace the existing pipe even when an engineering assessment, including modern inspection tools, has shown it to be in safe, operational condition. The advancements in ILI tools and other safety technologies help enhance company decision making to make repairs and, in many cases, lessen the need for disruptive pipe replacements.

This causes two main problems. When PHMSA requires operators to replace pipes, operators must ensure that gas is absent from the pipe to be replaced, which results in service disruptions and emissions being released to the atmosphere. Secondly, INGAA estimates that the existing

requirements cost its members \$200-\$300 million per year to unnecessarily replace perfectly safe pipe. These funds could be better used to address other aspects of our safety systems.

INGAA also estimates that class change pipe replacements under the current regulations result in up to 800 million standard cubic feet of natural gas blowdowns to the atmosphere annually. To quantify, this gas could meet the needs of over 10,000 homes for a year and would equate to the same GHG reduction benefit of removing 80,000 cars from the road. The optimal way for the pipeline industry to further reduce methane emissions is to decrease the number of “blow downs” or voluntary releases of gas. Finalizing the rulemaking would substantially lower methane emissions by eliminating these unnecessary gas releases.

In place of a class location pipeline replacement change, INGAA members have submitted special permit applications to prove the safety of their pipes. However, these applications are burdensome to not only the pipeline sector, but also to PHMSA. Problems include the regularity of the changing process and that it can take up to three years to approve a single permit. Finalizing this rule will provide regulatory certainty and consistency for industry stakeholders and the regulator.

PHMSA is planning on holding a class location GPAC meeting in March, pending completion of the Leak Detection and Repair GPAC meeting. INGAA is hopeful that PHMSA will complete the class location GPAC meeting in March and issue this crucial rule to improve safety and meet the collective goal of industry and the Biden administration to lower GHG emissions as soon as possible. Furthermore, INGAA supports Congress mandating PHMSA to complete this rulemaking within 90 days after date of enactment of this year’s pipeline safety reauthorization legislation.

### **3. The Gas Pipeline Advisory Committee (GPAC) strengthens rulemakings and should meet more frequently.**

The GPAC is an advisory committee to the Department of Transportation and PHMSA on matters of natural gas pipeline safety and regulatory oversight. The GPAC is comprised of 15 members, with equal representation from the natural gas industry, federal and state agencies, and the public (such as safety advocates and academic experts). GPAC’s stated role is to review PHMSA’s proposed regulatory initiatives to ensure the technical feasibility, reasonableness, cost-effectiveness, and practicability of each proposal. PHMSA is not bound by GPAC recommendations but must include its rationale for disagreeing with them in the preamble text of final rules. These processes are required by statute.

GPAC can play an important role in achieving our collective objective to enhance gas pipeline safety regulations. The time needed to complete a rulemaking is affected partially by the quantity and quality of dialogue with impacted stakeholders. Their dialogue is especially important when rulemakings are complex and technical, including matters relating to pipeline safety regulation. New rules should leverage stakeholder knowledge and expertise to facilitate the deployment of new technologies and practices that are more effective and efficient, and less disruptive than the legacy methods that may be reflected in existing regulations.

Until recently, GPAC met regularly to consider important rules and discuss important safety advancements. Since January 2021, however, the GPAC has only convened twice. With the known benefits of GPAC, INGAA believes that Congress should consider requiring PHMSA to hold at least two GPAC meetings per year.

In addition, PHMSA has chosen to disagree with several unanimous GPAC recommendations to multiple recent important final rules. While INGAA does not challenge PHMSA's independence to render these decisions, we believe that Congress can strengthen transparency by receiving reports from PHMSA on their rationales for these conclusions after issuing final rules.

INGAA appreciates your Committee's inclusion of a provision accomplishing this goal in Section 5 of the discussion draft legislation (Pipeline Safety, Modernization, and Expansion Act). We would appreciate the opportunity to work with the Committee to further strengthen this provision.

**4. Congress should include a provision requiring PHMSA to address a regulatory error affecting Maximum Allowable Operating Pressure (MAOP).**

In Section 23 of the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011, Congress required PHMSA to, "...issue regulations for conducting tests to confirm the material strength of previously untested natural gas transmission pipelines..." PHMSA completed this congressional mandate on October 1, 2019, issuing the gas transmission rule part 1. This rule governs testing and record keeping requirements for the maximum allowable operating pressure (MAOP), which governs the maximum amount of natural gas that can move safely through a natural gas pipeline.

While INGAA supported the final rule, unfortunately there are two provisions within this regulation that need to be addressed regarding record keeping requirements for pre-1970 pipeline tests.

PHMSA recently issued guidance that conflicts with the 2011 statute and would require pipeline operators to retest pre-1970 safe pipelines if modern-day recordkeeping standards are not met. This is flawed for several reasons, namely because it conflicts with other parts of PHMSA's existing code. Furthermore, the inconsistent regulatory provisions can currently be enforced by state regulators and will also be enforced by PHMSA soon.

Without a legislative or regulatory fix, INGAA members would be forced to retest previously tested pipelines, at no added safety benefit. This will cause disruptions to communities, the unnecessary venting of gas, and cost the industry billions of dollars which could be better deployed advancing actual safety measures.

Language to statutorily address this issue was included in the manager's amendment of H.R. 6494, the Pipeline Efficiency and Safety (PIPES) Act of 2023. We respectfully request this Committee incorporate that language into this legislation.

Specifically, the language would temporarily bar PHMSA from requiring INGAA members to

retest previously tested pipelines with documented records showing a sufficient minimum pressure until a working group report and rulemaking proceeding is completed. The PIPES Act of 2023 provision would also create a working group comprised of PHMSA, state pipeline regulators, public members, and industry stakeholders to write a report to help provide guidance on adequate recordkeeping. Following enactment of this measure, the working group would be required to complete its work and issue the report within six months to inform PHMSA rulemaking proceedings. Lastly, it would mandate PHMSA to issue a regulatory fix based on the working group report within six months after the report is issued.

The text mentioned above is critical to preventing needless disruption to our nation's natural gas pipeline system.

#### **5. Fuel choice for consumers should be protected.**

INGAA supports Section 9 of the Pipeline Safety, Modernization, and Expansion Act of 2023, which would prohibit states or municipalities from banning the transportation of an energy source, including natural gas, sold through interstate commerce using a pipeline facility regulated by PHMSA.

In recent years, many localities have enacted prohibitions or considered curtailing the usage of natural gas in new and existing buildings. INGAA is opposed to broadly implementing such measures. Natural gas is the cleanest burning fossil fuel and, as demand for energy increases, its expanded use has helped improve air quality across the country by offsetting the use of higher carbon-intensive fuels. The consequences of these policies that prohibit access to affordable natural gas jeopardize those who can least afford it. Not only would there be significant costs for new appliances, wiring upgrades and potential remodeling, but also eliminating consumer fuel choices would lead to higher monthly energy bills for home heating. Banning natural gas usage runs counter to our nation's goal of reducing GHGs and mitigating the impacts of climate change and prevents the United States from achieving a clean reliable, secure, and affordable energy future.

To address this problem, Section 9 of the Committee's discussion draft would ensure that the availability of natural gas as a fuel source is preserved, and we commend its inclusion in the proposal.

#### **6. Congress should enact energy infrastructure permitting reforms.**

INGAA supports the Subcommittee's leadership on policies that would expedite energy infrastructure permitting under key statutes by establishing clear timelines. Our critical infrastructure systems are fundamental to a reliable, secure, and affordable clean energy future. In addition to being integral to limiting harmful emissions, natural gas also supports the growth of renewable energy by providing reliable, dispatchable fuel and storage that minimizes the risk of power disruptions during times of intermittent load. Therefore, expanding modern natural gas networks is fundamental to safely delivering energy to businesses and consumers while lowering GHGs.

Clear, predictable infrastructure permitting processes remain instrumental to achieving our shared energy, economic, security, and climate-related goals. Unfortunately, the current processes to site and approve new and expanded infrastructure remain cumbersome, often stalling projects for years with duplicative reviews, unnecessarily burdensome approvals, and unending legal challenges. These inefficiencies hamper access to domestic natural gas resources, raising energy costs in certain regions, and, in the worst cases, limiting access to energy and creating reliability issues during periods of extreme weather. These ongoing challenges also continue to discourage private sector investment and undermine the value of taxpayer investments.

Accordingly, Congress should enact the permitting reforms contained in H.R. 1, Lower Energy Costs Act, that would establish, among other things, a CWA Section 401 certification process with a singular review conducted as part of the FERC National Environmental Policy Act (NEPA) analysis in which all affected agencies participate. States would retain their rights to evaluate the proposed project, and FERC and the states would work collaboratively to ensure the proposed project complies with applicable water quality standards.

The Lower Energy Costs Act would also clarify that agencies may only analyze reasonably foreseeable environmental effects causally related to the proposed project, focusing NEPA analyses on feasible alternatives, and establishing agency and judicial review schedules. Additionally, it would streamline CWA certifications and associated scopes of review on federal permits and recognize the export of natural gas as being in the public interest.

To fulfill America's energy, economic, security, and climate-related goals, INGAA stands ready to work in a bipartisan manner to enact durable permitting reforms that enable development of the energy infrastructure to continue delivering the benefits of natural gas to the American people.

Thank you for your attention to these important matters, and INGAA looks forward to working with the Subcommittee to ensure that PHMSA has the resources and direction to continually improve safety in our industry.

Sincerely,



Amy Andryszak  
President & CEO  
Interstate Natural Gas Association of America