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6 FUELING AMERICA'S ECONOMY: LEGISLATION TO IMPROVE SAFETY AND

7 EXPAND U.S. PIPELINE INFRASTRUCTURE

8 THURSDAY, JANUARY 18, 2024

9 House of Representatives,

10 Subcommittee on Energy, Climate, and Grid Security,

11 Committee on Energy and Commerce,

12 Washington, D.C.

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17 The Subcommittee met, pursuant to call, at 10:01 a.m. in

18 Room 2322, Rayburn House Office Building, Hon. Jeff Duncan

19 [Chairman of the Subcommittee], presiding.

20 Present: Representatives Duncan, Latta, Guthrie,

21 Griffith, Johnson, Bucshon, Walberg, Palmer, Curtis, Lesko,

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22 Pence, Weber, Balderson, Pfluger, Rodgers (ex officio);  
23 DeGette, Fletcher, Matsui, Tonko, Veasey, Kuster, Schrier,  
24 Castor, Sarbanes, Cardenas, and Pallone (ex officio).

25 Also present: Representative Joyce.

26 Staff present: Kate Arey, Digital Director; Sarah  
27 Burke, Deputy Staff Director; Marjorie Connell, Director of  
28 Archives; Nick Crocker, Senior Advisor and Director of  
29 Coalitions; Sydney Greene, Director of Operations; Nate  
30 Hodson, Staff Director; Tara Hupman, Chief Counsel; Daniel  
31 Kelly, Press Assistant; Patrick Kelly, Staff Assistant; Sean  
32 Kelly, Press Secretary; Alex Khlopin, Staff Assistant; Peter  
33 Kielty, General Counsel; Emily King, Member Services  
34 Director; Elise Krekorian, Counsel; Mary Martin, Chief  
35 Counsel; Brandon Mooney, Deputy Chief Counsel; Kaitlyn  
36 Peterson, Clerk; Karli Plucker, Director of Operations  
37 (shared staff); Peter Spencer, Senior Professional Staff  
38 Member; Dray Thorne, Director of Information Technology;  
39 Waverley Gordon, Minority Deputy Staff Director and General  
40 Counsel; Brian Hall, Minority Energy Fellow; Mackenzie Kuhl,  
41 Minority Digital Manager; Kristopher Pittard, Minority  
42 Professional Staff Member; Kylea Rogers, Minority Policy

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43 Analyst; Andrew Souvall, Minority Director of Communications,  
44 Outreach, and Member Services; Medha Surampudy, Minority  
45 Professional Staff Member; and Tuley Wright, Minority Staff  
46 Director, Energy, Climate, and Grid Security.

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48           \*Mr. Duncan. The Subcommittee on Energy, Climate, and  
49 Grid Security will now come to order. I ask all of our  
50 members and guests to take their seats.

51           I will now recognize myself for five minutes for an  
52 opening statement.

53           I want to thank you all for being here today, and  
54 welcome to the Energy, Climate, and Grid Security  
55 Subcommittee hearing titled, "Fueling America's Economy:  
56 Legislation to Improve Safety and Expand U.S. Pipeline  
57 Infrastructure.'" Today we are examining a discussion draft  
58 released by Chair Rodgers and myself to reauthorize the  
59 Pipeline and Hazardous Materials Safety Administration's  
60 Pipeline Safety Program for another five years and update  
61 policies to construct and operate pipelines.

62           PHMSA is an agency under the U.S. Department of  
63 Transportation that develops and enforces Federal safety  
64 regulations for the nation's pipeline infrastructure and the  
65 transportation of hazardous materials. Pipelines are the  
66 safest and most efficient modes of transport for fuels and  
67 feedstocks that power our nation's economy.

68           According to a 2019 PHMSA report to Congress, pipelines

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69 delivered 180 million gallons of energy per incident, while  
70 trucks delivered only 55 million gallons per incident, and  
71 trains only 50 million gallons. PHMSA and states must  
72 cooperate and coordinate to ensure the nation's existing 3.4  
73 million miles of pipelines are operated and maintained in a  
74 safe and reliable manner.

75 PHMSA also has a critical role to play in reviewing  
76 proposals for new pipelines and liquefied natural gas  
77 facilities within a timely manner.

78 I am glad that we have PHMSA Deputy Administrator  
79 Tristan Brown here today to discuss PHMSA's current  
80 operations and the agency's implementation of the Protecting  
81 our Infrastructure of Pipelines and Enhancing Safety, our  
82 PIPES Act, that was passed back in 2020. This committee has  
83 a responsibility to ensure PHMSA complies with its statutory  
84 authorities and maintains a strong focus on public safety.

85 Now I have concerns that under this Administration PHMSA  
86 is getting away from pipeline safety and toward more climate  
87 activism. It has become an unfortunate theme throughout the  
88 Biden Administration that agencies are acting outside the  
89 scope of their congressionally-directed responsibilities by

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90 proposing climate change regulations.

91           The apparent goal of the Biden Administration is to keep  
92 fossil fuels in the ground, or at least make them so  
93 expensive that the American people can't afford them. We are  
94 seeing that all over the country. We have seen it through  
95 actions at the EPA, Department of Energy, and the Federal  
96 Energy Regulatory Commission. Just last week the press  
97 revealed that the DOE is secretly pausing LNG export permits  
98 while it conducts duplicative and repetitive environmental  
99 reviews, just another move to stop U.S. energy production and  
100 delivery. The Biden Administration's disdain for fossil  
101 fuels and pipelines is putting lives at risk.

102           Under President Biden PHMSA has gone three years without  
103 a nominee to lead the agency. That is a record vacancy.  
104 PHMSA is currently led by Deputy Administrator Brown, who I  
105 am glad is here to speak today to talk about these concerns,  
106 as well as the numerous overdue congressional mandates and  
107 open rulemakings that have yet to be finalized by PHMSA.

108           As a result of the current state of PHMSA, the \_ and the  
109 American Energy Infrastructure, Chair Rodgers and I have  
110 released draft legislation that reflects a comprehensive

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111 approach to reauthorize PHMSA's safety programs and update  
112 policies for pipeline permitting.

113       It is no secret the United States is in desperate need  
114 of expanded pipeline energy infrastructure. My home state of  
115 South Carolina is facing an impending energy crisis, in part  
116 due to lack of pipeline infrastructure required to bring  
117 clean energy to South Carolina. Pipelines all over the  
118 country have been delayed and ultimately canceled as a result  
119 of \_ as the result of permitting challenges and lawsuits  
120 funded and backed by radical environmental groups.

121       The draft legislation that Chair Rodgers and I have  
122 introduced addresses this by strengthening penalties for  
123 damaging pipelines and incorporating permitting reforms  
124 centered on safety, modernization, and expansion. It  
125 improves pipeline safety by updating PHMSA's programs to  
126 reflect new technologies. It puts an end to the gas bans by  
127 protecting the American people's right to choose the energy  
128 source that fits their needs.

129       So in conclusion, pipelines are essential to the energy  
130 security of the United States. If we don't have the  
131 necessary infrastructure to deliver oil and natural gas from

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132 American producers to energy consumers and utilities, we  
133 undercut our energy security and force reliance on our  
134 adversaries for energy.

135 I am not alone in this. I will point out that the  
136 Progressive Policy Institute has a paper that specifically  
137 points \_ and this isn't a conservative, right-leaning group \_  
138 the Progressive Policy Institute has a paper pointing to the  
139 need to build out our energy infrastructure and pipeline  
140 infrastructure in this country, and supports natural gas, and  
141 I welcome the committee to read that at some point in time on  
142 both sides of the aisle.

143 [The prepared statement of Mr. Duncan follows:]

144

145 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

146



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147           \*Mr. Duncan. So I look forward to our hearing today,  
148 and recognize Ranking Member DeGette for five minutes.

149           \*Ms. DeGette. Thank you so much, Mr. Chairman. And  
150 before I start my opening statement I just want to take a  
151 moment of personal privilege because we heard earlier this  
152 week that you won't be running for reelection. And I just  
153 want to let you know from my side of the aisle and for me  
154 personally, I have loved working with you. We have been  
155 admirable adversaries from time to time, but we have also  
156 worked very closely on a number of issues. And to that end,  
157 I really hope we can pass our nuclear bill so that it can be  
158 your legacy as you leave this, because you have really been a  
159 wonderful chairman, so thank you, Chairman.

160           [Applause.]

161           \*Mr. Duncan. Well, thank you so much for that. I am  
162 not going anywhere anytime soon. We got 11 months' worth of  
163 work to do, and the bills you mentioned, and some more work.  
164 If we can work in a bipartisan way to get it through this  
165 Congress and signed by the President, it would be a legacy we  
166 can all hang our hats on. So thank you so much for that. I  
167 look forward to working with you.

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168           \*Ms. DeGette. You bet. And now here we go, into this  
169 hearing. So I am glad we are finally having this hearing on  
170 pipeline safety.

171           The Pipeline Safety and Hazardous Materials Safety  
172 Administration, or PHMSA, oversees the safety of nearly 3.4  
173 million miles of pipelines that reach across the country.  
174 These pipelines carry hazardous materials like oil, gas, and  
175 other means of energy production to go where they need to go.  
176 They are part of our energy system, ensuring the light comes  
177 on when you turn on the switch.

178           In an ideal world, the average American would be  
179 blissfully unaware of pipelines because they would be quietly  
180 doing their job for us. But unfortunately, as we have seen  
181 all too often, pipelines can be very dangerous, especially  
182 when we neglect them. On average there are more than 600  
183 pipeline safety incidents a year, and these incidents can be  
184 fatal, and are devastating to families and communities.

185           Congress, of course, is responsible for reauthorizing  
186 PHMSA's pipeline safety activities. And to prevent those  
187 incidents Congress must take a more active oversight role.  
188 PHMSA's Pipeline Safety Program reauthorization actually

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189 expired in September of last year.

190 In response to then-impending lapse, Ranking Member  
191 Pallone and I sent a letter last September to Chair Rodgers  
192 and to Chair Duncan, requesting this subcommittee immediately  
193 hold an oversight hearing of PHMSA's pipeline safety  
194 programs. The letter also expressed our disappointment in  
195 the lack of bipartisan engagement in reauthorizing those  
196 vital programs, because this is something that could be  
197 bipartisan. But despite that we haven't seen any action  
198 until today, when, unfortunately, we seem to be taking a step  
199 backwards.

200 The only action that the majority took on pipeline  
201 safety in 2023 was releasing this partisan draft bill that we  
202 are considering today, the "Pipeline Safety, Modernization,  
203 and Expansion Act of 2023," a bill that, despite its name  
204 including "safety," has several sections that are completely  
205 unrelated to PHMSA pipeline safety.

206 That bill, rather, contains provisions to increase the  
207 construction and operation of pipelines. It would allow FERC  
208 authority to grant authorizations to modernize existing  
209 pipelines and construct new pipelines. It would streamline

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210 the permitting process, all while authorizing a funding level  
211 that is 18 percent below current funding levels, stripping  
212 PHMSA of critical funding and safety measures, despite the  
213 bill's branding.

214 And if the cuts alone weren't enough, the bill also  
215 places additional burdens on the Administration's pipeline  
216 safety program, burdens which are unfunded. PHMSA has an  
217 important job in ensuring safety and protecting communities,  
218 and they require full funding to carry this out.

219 Fortunately, in contrast with what we are seeing  
220 proposed by the majority, the Infrastructure Investment and  
221 Jobs Act invested \$1 billion in the safety of natural gas  
222 distribution pipelines. The President's fiscal year 2024  
223 budget also requested a 20 percent increase for PHMSA's  
224 pipeline safety budget to support this important work.

225 Now the Energy and Commerce Committee, unfortunately,  
226 since we should have full jurisdiction over this, we do share  
227 it with the House Transportation and Infrastructure  
228 Committee, and we can look to the T&I Committee for an  
229 example of bipartisanship and adherence to regular order.  
230 Last December, following their oversight hearing in March

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231 2023, the committee released a bipartisan pipeline safety  
232 reauthorization bill. Both sides weighed in to provide a  
233 common-sense solution that would work to ensure no lapse in  
234 the transportation of energy, while also focusing on safety  
235 and environmental protection.

236 T&I aren't the only ones who know that pipeline safety  
237 demands a bipartisan process. In their letter to the  
238 chairman and myself, the Interstate Natural Gas Association  
239 of America noted that "As the subcommittee begins considering  
240 this measure, we request it be advanced through a bipartisan  
241 process, as we believe it is the best way to ensure pipeline  
242 safety reauthorization legislation becomes law.'" Really, I  
243 find myself not always agreeing with the Natural Gas  
244 Association of America, but in this case I don't think I  
245 could have put it better.

246 The partisanship from our committee only serves to  
247 increase the amount of time it will take to reauthorize  
248 important pipeline safety measures. It is vital to fund this  
249 program to ensure pipeline safety and to protect our  
250 communities. And so I stand ready, as usual, to work on a  
251 bipartisan reauthorization of PHMSA's pipeline safety

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252 program.

253 [The prepared statement of Ms. DeGette follows:]

254

255 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

256

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257           \*Ms. DeGette. And with that I yield back.

258           \*Mr. Duncan. Well, I agree with the gentlelady that  
259 this ought to be just in this jurisdiction. But  
260 unfortunately, we have multiple jurisdictions here to deal  
261 with. And so we will work on PHMSA going forward.

262           This is a legislative hearing. We are going to have a  
263 markup at some point in time, and I look forward to looking  
264 at whatever you guys may have to offer.

265           I will now go to the chair of the full committee, Chair  
266 Rodgers, for five minutes.

267           \*The Chair. Good morning. Today we are discussing  
268 legislation that will modernize and expand our nation's  
269 pipeline infrastructure to improve safety and lower fuel  
270 prices for the American people.

271           As I think about the Arctic blast that swept across the  
272 country last week and the cold front moving across the  
273 northeast this week, it is critical that Americans have  
274 access to affordable, reliable, and abundant supplies of  
275 energy to heat our homes and fuel our vehicles. We are able  
276 to access this lifesaving energy across the country because  
277 of our pipeline infrastructure, which is the safest and the

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278 most efficient way to transport liquid fuels, including  
279 gasoline, diesel, jet fuel, propane, and natural gas.

280 Experts agree that global demand for liquid fuels will  
281 continue to grow through at least 2050. As the world's  
282 number-one producer of oil and natural gas, we have an  
283 opportunity to cement America's energy leadership for decades  
284 to come.

285 Today the U.S. has more than 3.4 million miles of  
286 pipeline. To meet growing energy demands we must modernize  
287 and expand our pipeline infrastructure. The U.S. has been  
288 blessed with an abundance of natural resources right under  
289 our feet, which we have been able to harness as a result of  
290 free market principles and an entrepreneurial spirit that is  
291 uniquely American. We should be embracing this, and building  
292 on it to enhance America's energy security and competitive  
293 edge. Maximizing our energy advantage requires that we  
294 expand and modernize our energy infrastructure.

295 The Energy and Commerce Committee plays a key role in  
296 strengthening our nation's pipeline safety laws and  
297 modernizing the permitting process. Today we are hoping to  
298 continue that legacy as we consider the Pipeline Safety,



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299 Modernization, and Expansion Act of 2024 discussion draft  
300 authored by Chair Duncan.

301 This important legislation would reauthorize the  
302 Pipeline and Hazardous Materials Safety Administration, or  
303 PHMSA, for five years, streamlining the permitting process  
304 for new pipeline projects, protecting fuel choice by  
305 prohibiting states' and local gas bans, making energy more  
306 affordable and reliable by expanding existing pipelines, and  
307 preparing for the energy mix of the future, one that will  
308 include more natural gas, hydrogen, carbon capture, and  
309 sequestration, and so much more.

310 I look forward to working with Chair Duncan and all of  
311 my colleagues on both sides of the aisle to build on American  
312 energy leadership and move this important bill forward. Our  
313 economy, our national security, the stability of global  
314 markets, and the environment will only benefit from continued  
315 American energy leadership.

316 Today's hearing will give PHMSA and pipeline operators  
317 an opportunity to provide their rule \_ their views on \_ as we  
318 work to perfect the bill.

319 [The prepared statement of The Chair follows:]

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320

321 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

322

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323           \*The Chair. And before I yield back, I too want to take  
324 a moment to acknowledge my good friend Subcommittee Chair  
325 Jeff Duncan's terrible announcement yesterday, announcing his  
326 retirement. I am so grateful for Chairman Duncan's  
327 friendship and his service to the people of South Carolina.

328           You have led on a number of solutions that are top of  
329 mind for the people that you represent, but also for the  
330 entire country. I especially appreciate your leadership and  
331 voice on these energy issues as we think about the importance  
332 of American energy independence and meeting critical energy  
333 needs today and into the future.

334           You have led on unleashing nuclear energy, ensuring  
335 pipeline safety that we are working on today, and we are  
336 grateful. We are grateful for your commitment to public  
337 service, and we will miss your leadership on this committee.  
338 We wish you the best.

339           \*Mr. Duncan. Thank you, Chair Rodgers, and thanks,  
340 everyone.

341           I will now go to the ranking member, Mr. Pallone, for  
342 five minutes.

343           \*Mr. Pallone. Thank you, and let me just also express

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344 my regret on Chairman Jeff Duncan's retirement. He \_ and I  
345 sincerely mean that. He has always been pleasant. He has  
346 always tried to work with us whenever possible.

347 Is it appropriate to say \_ is it still appropriate to  
348 say you kind of epitomize the southern gentleman, or is  
349 that \_

350 [Laughter.]

351 \*Mr. Pallone. Is that, like, \_

352 \*Mr. Duncan. That would be gracious of you to say that.  
353 Thank you.

354 [Laughter.]

355 \*Mr. Pallone. Okay, all right. Well, it is true, it is  
356 very true. So I do regret you are not running again.

357 But let me just say today I have to say that I am not  
358 happy with the bill that is up today. I know we are finally  
359 having a hearing on pipeline safety and the most recent  
360 reauthorization of pipeline safety programs at the Pipeline  
361 and Hazardous Materials Safety Administration, or PHMSA,  
362 expired over 100 days ago. And all our Republican majority  
363 has to offer today is a partisan draft bill that was \_ that  
364 is unintroduced and unchanged since they released it in July.

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365 There was no effort to work together, no effort to sit down  
366 and discuss shared priorities, and no heads up at all that  
367 the Republicans are putting together this draft.

368 And this is a stark departure from the path that  
369 Democrats forged when we were in the majority during the last  
370 reauthorization process. We sat down, negotiated with our  
371 Republican colleagues for months to try to agree on a  
372 bipartisan bill, even postponing a committee markup, because  
373 we didn't yet have bipartisan agreement. And it was only  
374 after months of detailed discussions reached an impasse that  
375 we ultimately moved a Democratic bill through the committee  
376 that had a strong commitment to enhance pipeline safety.

377 So today we are considering a partisan bill  
378 masquerading, in my opinion, as a pipeline safety bill, when  
379 in fact it will only lead to the construction of more  
380 dangerous pipelines. Republican priorities are on full  
381 display today: Do the bidding of corporate polluters while  
382 putting the safety of our communities at risk.

383 Just last week a natural gas leak in Fort Worth, Texas  
384 caused an explosion that injured 21 people and destroyed 2  
385 floors of a hotel. A year-and-a-half ago, an LNG facility,

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386 also in Texas, suffered a massive explosion due to what PHMSA  
387 later found to be inadequate procedures. The reality is that  
388 there are over 600 pipeline safety incidents every year,  
389 which result in an average of 31 injuries and 10 deaths, and  
390 that is just simply unacceptable. And that is why I was so  
391 disappointed that Republicans didn't even attempt to work  
392 with us on a bipartisan pipeline safety reauthorization bill  
393 that could actually become law.

394         And this discussion draft, I think, is reckless. It  
395 would gut state oversight of pipelines built within their  
396 boundaries, encroaching on states' rights. It also prevents  
397 states and municipalities from deciding to move away from  
398 natural gas if they so choose. Even more radically, the bill  
399 actually cuts funding for pipeline safety. It delivers a \$42  
400 million annual cut to PHMSA's authorized programs from the  
401 levels in the last bipartisan authorization that was signed  
402 into law by the last Republican President. And this bill  
403 asks PHMSA to do more with less.

404         Like the vast majority of the legislation this  
405 subcommittee has acted on in this Congress, this bill will  
406 never become law. It is yet another proof that, in my

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407 opinion, that House Republicans are not able to govern, and  
408 it underscores why this Congress is on pace to be one of the  
409 least productive since the Great Depression.

410         And all of this stands in stark contrast to the  
411 bipartisan process that the Transportation and Infrastructure  
412 Committee implemented last year. They spent months holding  
413 serious bipartisan negotiations to craft a bipartisan bill,  
414 and they were able to move this bill out of committee last  
415 year. As with any bipartisan legislation, neither side  
416 likely got everything it wanted in the final bill, but it  
417 garnered strong support from Democrats and Republicans. It  
418 also authorized \$80 million more each year for pipeline  
419 safety programs than this bill does, and it was free of the  
420 poison pill riders that make up so much of this bill.

421         So frankly, I don't believe that Republicans on this  
422 committee would cede ground to another committee on an issue  
423 that \_ where we share jurisdiction and, as was said, where we  
424 should have sole jurisdiction. It also defies logic to  
425 continue to move forward with a partisan process while  
426 another committee has crafted a bipartisan compromise that  
427 could potentially become law.

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428           And it is unfortunate that committee Republicans have  
429 chosen partisanship on something as important as keeping our  
430 communities safe from dangerous pipelines. It is our  
431 responsibility to ensure PHMSA has the resources and  
432 authorities it needs to keep nearly 3.4 million miles of oil,  
433 gas, and other pipelines nationwide safe. This discussion  
434 draft will not do that.

435           So I am just hoping that, you know, when we actually go  
436 to markup, that this changes and that we can actually work  
437 together and finally bring a bipartisan bill to the committee  
438 and ultimately to the floor that, you know, really provides  
439 for pipeline safety and lives up to the name of pipeline  
440 safety.

441           [The prepared statement of Mr. Pallone follows:]

442

443 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

444



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445           \*Mr. Pallone. And with that, Mr. Chairman, I yield back  
446 the balance of my time.

447           \*Mr. Duncan. I thank the ranking member, and I  
448 reiterate we look forward to trying to work with you guys in  
449 a legislative hearing. We will go to markup, hopefully,  
450 soon, and I would love to look at any sort of  
451 recommendations, changes, see how we can make this a truly  
452 bipartisan effort, as \_ the spirit of the committee, as  
453 always.

454           We will now conclude with members' opening statements.  
455 The chair would like to remind members that, pursuant to the  
456 committee rules, all members' opening statements will be made  
457 part of the record.

458           So I want to thank our witnesses for being here today  
459 and taking time to testify. Each witness will have the  
460 opportunity \_ and we only have one \_ to give an opening  
461 testimony and then answer questions. Today we have Deputy  
462 Administrator Tristan Brown with PHMSA.

463           And we thank you for being here, and we look forward to  
464 your testimony, and then we also look forward to a good round  
465 of questions from all the members. So you are recognized for

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466 five minutes, Mr. Brown.

467

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468 STATEMENT OF TRISTAN BROWN, DEPUTY ADMINISTRATOR, PIPELINE  
469 AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION (PHMSA)  
470

471 \*Mr. Brown. Great, good morning, and thank you,  
472 Chairman Duncan. Thank you, Ranking Member DeGette. Thank  
473 you, Chair Rodgers, Ranking Member Pallone. I am pleased to  
474 be here to testify on the Department of Transportation's,  
475 Pipeline and Hazardous Materials Safety Administration, or  
476 PHMSA's pipeline safety program. And I appreciate the  
477 subcommittee's interest in strengthening pipeline safety and  
478 working towards a reauthorization bill that we can get signed  
479 into law.

480 Safety is the top priority for the Department of  
481 Transportation and for PHMSA. Specifically, PHMSA is  
482 responsible, as was mentioned, for overseeing the safe  
483 transportation of hazardous materials via pipelines, but also  
484 via all other modes of transportation: planes, trains,  
485 trucks, automobiles, vessels, and the safe design,  
486 operations, and maintenance of nearly 3.4 million miles of  
487 oil, gas, and other hazardous liquids and other hazardous  
488 pipelines, including hydrogen, carbon dioxide, and other

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489 emerging fuels of the future.

490 PHMSA's oversight of hazardous materials via other modes  
491 includes the oversight of nearly 1 in 10 goods that are  
492 transported in the United States, everything from nuclear  
493 waste to lithium ion batteries to explosives used in  
494 excavation, mining, and energy production.

495 PHMSA also chairs multiple international standards-  
496 making bodies that set the global standards and framework for  
497 the safe and efficient transport of these materials across  
498 borders and around the world, valued in the trillions of  
499 dollars.

500 Under Secretary Buttigieg's leadership, PHMSA has been  
501 focused on executing bipartisan congressional mandates in the  
502 PIPES Act of 2020, implementing historic infrastructure  
503 investments from the Bipartisan Infrastructure Law of 2021,  
504 and strengthening our safety mission and ensuring that the  
505 United States has the safest, most efficient, and competitive  
506 transportation system in the world.

507 From the standpoint of the volume of work before us as  
508 an agency, the challenges in carrying out our safety mission  
509 have never been greater. We oversee an aging infrastructure

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510 that requires robust maintenance and, when needed, repair and  
511 replacement. Most of the cross-country pipeline  
512 infrastructure was built shortly after World War II, meaning  
513 many pipelines are over 80 years old, and there are even a  
514 few gas distribution segments that are \_ that were installed  
515 during the Civil War era, more than 150 years ago, which are  
516 being modernized as part of the President's Bipartisan  
517 Infrastructure Law grant program that we stood up last year,  
518 including grants in your district, Mr. Chairman, and three  
519 other members of the subcommittee here.

520       Nearly two-thirds of the energy we consume in the United  
521 States is transported via pipeline. Over the past few  
522 decades, growth in the energy production in the United States  
523 has increased to record levels. Concurrently, the U.S.  
524 transportation of these products has necessarily increased,  
525 and exports of energy have reached \_ also reached record  
526 levels. This has placed new and heightened demands on our  
527 pipeline and refined product storage infrastructure, as well  
528 as export facilities such as liquefied natural gas facilities  
529 that PHMSA also regulates.

530       To meet congressional directives to improve efforts to

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531 attract and retain pipeline engineers and inspectors, PHMSA  
532 has undertaken new recruitment and retention efforts, and has  
533 kept its focus on the hiring targets included in the PIPES  
534 Act of 2020, both for inspectors as well as for the  
535 regulatory development personnel that have helped lead the  
536 agency to some of its most productive years in \_ ever, in  
537 terms of both finalizing new standards and enforcement of our  
538 standards, as well as in a reduction in the trend in  
539 hazardous materials incidents, including in pipeline  
540 incidents.

541 In closing, I would like to thank you again for the  
542 opportunity to engage with you on the critical issues facing  
543 PHMSA and, in turn, facing a major component of the largest,  
544 most sophisticated energy transportation system in the world.

545 Each of the areas I outlined in my written testimony are  
546 areas in which the rest of the world looks to America for  
547 leadership, leadership in the marketplace for hazardous  
548 materials products, leadership for establishing safety rules  
549 \_ that countries around the world have told me they often  
550 adopt in whole, given our robust process, to improve their  
551 own pipeline safety and environmental protection and

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552 mitigation \_ leadership in the rule of law when it comes to  
553 disputes and compliance, leadership in research and  
554 innovation and new technologies to improve safety and  
555 environmental performance that are sold domestically and  
556 exported around the world, leadership in transparency and  
557 engagement with affected communities, which countries also  
558 look to as a new standard in leadership in the efficiencies  
559 for all the work that we do.

560 This work is the result of our collaboration with the  
561 committees that authorize and fund our agency. But the kudos  
562 for all of our achievements go to the more than 600 full-time  
563 and 200 contractors that make up our \_ what I believe is the  
564 most unsung agency in the Federal Government.

565 With that, I can't yield back any time because I am a  
566 few seconds over here, so thank you.

567

568 [The prepared statement of Mr. Brown follows:]

569

570 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

571

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572 \*Mr. Duncan. Well, thanks for your testimony.

573 Is that a stormtrooper on your sock?

574 \*Mr. Brown. That is my space socks. That is an  
575 astronaut.

576 \*Mr. Duncan. Okay.

577 [Laughter.]

578 \*Mr. Brown. So one of the other things we do is we  
579 regulate spacecraft at the agency.

580 \*Mr. Duncan. One thing about this committee, we like a  
581 little levity from time to time.

582 [Laughter.]

583 \*Mr. Duncan. So listen, thank you for your testimony,  
584 and it was very informative. I will now go into the  
585 question-and-answering session, and begin by recognizing  
586 myself for five minutes.

587 You know PHMSA is the Department of Transportation  
588 agency responsible for developing and enforcing Federal  
589 safety regulations for the nation's pipeline infrastructure.  
590 As you mentioned, that is nearly 3.4 million miles of  
591 pipelines.

592 We have got an abundant supply of clean, affordable,



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593 reliable oil and natural gas, and we need safe and reliable  
594 pipeline infrastructure to transport these essential  
595 resources. Safe transportation should be PHMSA's main  
596 priority. We have seen a lot of derailments and other things  
597 happen, and it just points to the fact that pipelines do it  
598 safer than other modes of transportation.

599 I am concerned that PHMSA is losing its focus on safety,  
600 and prioritizing climate change regulations instead. Mr.  
601 Brown, PHMSA is a safety regulator, not a climate or  
602 environmental enforcement agency. Would you agree with that  
603 statement?

604 \*Mr. Brown. No. Historically, the agency, and since  
605 its founding, and actually even before it was founded in the  
606 in the 2000s \_ actually, dating back to the Oil Pollution Act  
607 of 1990 \_ we had a major environmental component to our  
608 agency's work. It is the environment \_ the protection of the  
609 environment is in our mission statement. It is in the  
610 statutes that you, Congress, have enacted and directed us to  
611 protect the environment, property, and ensure the safety of  
612 the assets that we oversee. So \_

613 \*Mr. Duncan. Well, I would make the argument that that

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614 was mainly focused on pipeline spills, and that sort of  
615 thing. So I am not going to get into the weeds on that.

616 On May 5, 2023 PHMSA proposed a new rule for gas  
617 pipeline leak detection and repair pursuant to section 113 of  
618 the PIPES Act of 2020. By law, PHMSA is required to conduct  
619 a risk assessment and cost benefit analysis so all new  
620 regulations are cost effective. I believe PHMSA exceeded its  
621 statutory authority with this rule because it expanded  
622 PHMSA's jurisdiction to include non-jurisdictional pipelines  
623 and exaggerated climate-related benefits to justify high  
624 compliance costs.

625 Has PHMSA estimated the compliance cost of the proposed  
626 regulation?

627 \*Mr. Brown. We have, and that is part of our draft  
628 notice of proposed rulemaking, which we sought public comment  
629 on, and we are currently in the statutory review committee  
630 process, getting input, again, from our statutory advisory  
631 committee.

632 \*Mr. Duncan. Is part of that looking into how much this  
633 regulation will increase energy prices for the American  
634 people?

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635           \*Mr. Brown. Part of that is trying to estimate the  
636 costs and benefits to consumers from the rule, yes.

637           \*Mr. Duncan. How do you put a \_ well, did PHMSA use the  
638 social cost of carbon to justify the high cost of this  
639 regulation?

640           \*Mr. Brown. That is part of \_ yes, that is \_ social  
641 cost of methane, just \_ which is sort of the equivalent of  
642 that for estimating social costs, and so that is actually  
643 determined through an interagency process.

644           \*Mr. Duncan. Yes, just a fancy way of saying social  
645 cost of carbon, changing the word to "methane."'

646           But this regulation also mentions the use of so-called  
647 equity benefits. Does PHMSA have statutory authority to rely  
648 on equity benefits to justify high compliance cost?

649           \*Mr. Brown. It has the ability to estimate the benefits  
650 to ensuring equity and fairness in the carrying out of our  
651 laws, yes.

652           \*Mr. Duncan. And who is \_ who has the, I guess, ability  
653 to estimate that fairly? I mean, that is almost subjective,  
654 right?

655           \*Mr. Brown. There is certainly an amount of

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656 subjectivity in, really, all the work that I think Federal  
657 agencies do. But our goal is a fundamental American  
658 principle that, as we carry out our laws, that we do so  
659 fairly and equitably for all Americans.

660 \*Mr. Duncan. Well, that is why \_

661 \*Mr. Brown. And that historically has not occurred.

662 \*Mr. Duncan. Well, that is why I think pipeline safety  
663 reauthorization, and direction from Congress on what those  
664 parameters should be, and defining your mission is so  
665 important.

666 It sounds like PHMSA is using climate change and  
667 so-called equity benefits to justify burdensome regulations  
668 that will raise the price of energy for all Americans \_ in my  
669 opinion, PHMSA exceeding its congressional authority in  
670 issuing regulations that have high probability of being  
671 thrown out in court. We will see. It seems that PHMSA is  
672 compromising safety to appease environmental and social  
673 activists.

674 So I am almost out of time. I have said my part, and I  
675 will now go to the ranking member for her questions.

676 \*Ms. DeGette. Thank you, Mr. Chairman.

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677           And Mr. Brown, thank you for being here today. Thanks  
678 for your agency's leaning in on implementation of the  
679 Infrastructure Investment and Jobs Act. I think there is  
680 some really great investments we can do there.

681           So everybody recognizes how important PHMSA is to  
682 ensuring pipeline safety and, from that, the safety of our  
683 communities. So I want to ask you. Nearly two-thirds of the  
684 energy the U.S. consumes is transported versus \_ via  
685 pipeline. Is that right?

686           \*Mr. Brown. That is \_ yes, correct.

687           \*Ms. DeGette. Now, much of the pipeline infrastructure,  
688 as you stated in your written testimony and also verbally  
689 today, is aging. Is that right?

690           \*Mr. Brown. That is correct.

691           \*Ms. DeGette. Approximately what is the age of the  
692 pipelines?

693           \*Mr. Brown. We have got 3.4 million miles of \_ mostly  
694 that is distribution. But for interstate transmission you  
695 are looking at, you know, nearly 80 years old.

696           \*Ms. DeGette. Okay, yes, that is what you had said, 80  
697 years old, average.

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698           So in its fiscal year 2024 budget, the Biden  
699 Administration requested a 20 percent increase in PHMSA's  
700 budget. Can you talk about why PHMSA needs those resources  
701 to meet its safety mission and what it is going to do with  
702 it?

703           \*Mr. Brown. Yes. Well, as both the chair of the  
704 subcommittee and full committee mentioned, the amount of  
705 production of energy that moves through the facilities that  
706 we regulate has drastically increased in recent years. And  
707 so we have a much bigger job to oversee.

708           Take any sort of subsector of the entities that we  
709 regulate on the hazardous materials side, whether it is  
710 electric vehicle batteries, lithium ion batteries that we  
711 regulate, but also on the pipeline side, whether LNG  
712 facilities, an increase in LNG exports and LNG export  
713 facilities. These are major complex assets, and we operate  
714 on an extremely lean budget.

715           \*Ms. DeGette. So you are not just increasing the budget  
716 because of the excuse of climate, is that right?

717           \*Mr. Brown. Absolutely not.

718           \*Ms. DeGette. Okay.

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719           \*Mr. Brown. Safety is our top priority.

720           \*Ms. DeGette. Safety, okay.

721           Can you talk a little bit about the benefits that  
722 Americans can expect to see going forward from the Natural  
723 Gas Distribution Infrastructure Safety and Modernization  
724 Grant program that you had referenced?

725           \*Mr. Brown. Yes, that is part of the President's  
726 Bipartisan Infrastructure Law enacted in 2021. This is our  
727 first-ever infrastructure grant program focused on \_  
728 basically, addressing the highest-risk legacy pipe, dating  
729 back in some cases to 150-year-old pipe. So we are providing  
730 grants to community-owned systems. These are in statute,  
731 disadvantaged \_ historically disadvantaged communities. In  
732 the first round I think it was roughly upwards of 60 percent  
733 rural, and the rest urban communities.

734           We are identifying leaks and leak-prone pipe, fixing  
735 those leaks. So the grants can be used both for leak  
736 detection equipment as well as repairing or, in some cases,  
737 replacing pipe. As I mentioned, in the chairman's district  
738 we are replacing eight miles of pipe, I believe, in your home  
739 community system, as well as 700 service lines of legacy

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740 high-risk pipe.

741 \*Ms. DeGette. Thank you. I want to talk about some  
742 parts of the bill that I don't think really belong here, and  
743 this is the rapid response section of my questions.

744 The first one is section 3(c) of the draft bill  
745 introduces aquifer exemptions to class 6 wells used for  
746 sequestering carbon dioxide. Does this have anything to do  
747 with PHMSA's pipeline safety authorities? Yes or no.

748 \*Mr. Brown. That is not within our jurisdiction, no.

749 \*Ms. DeGette. Oh, it is not within your jurisdiction,  
750 okay.

751 Now, section 9 of the draft bill prohibits states or  
752 municipalities from restricting transportation and  
753 distribution of certain energy products. Does this have  
754 anything to do with PHMSA's pipeline safety authorities?

755 \*Mr. Brown. No, ma'am.

756 \*Ms. DeGette. Now, section 10 of the draft bill would  
757 infringe on states' rights under the Clean Water Act to  
758 decide whether or not to issue permits for certain pipelines.  
759 Does that have anything to do with PHMSA's pipeline safety  
760 authorities?



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761           \*Mr. Brown. No, we do not issue permits.

762           \*Ms. DeGette. Okay, thank you.

763           Mr. Chairman, this is what I was talking about in my  
764 opening statements. I don't think these belong in a pipeline  
765 safety bill, and I hope we can negotiate that when we \_ as we  
766 move towards markup. And with 26 seconds left, I yield back.

767           \*Mr. Duncan. The gentlelady yields back. I will now go  
768 to Mr. Latta for five minutes.

769           \*Mr. Latta. Well, thank you, Mr. Chairman, and thanks  
770 for this very important hearing that we are having today,  
771 because, as you have mentioned, what we transport across this  
772 country safely is absolutely essential to our economy.

773           Deputy Administrator, I am proud to have worked on the  
774 Protecting our Infrastructure of Pipelines and Enhancing  
775 Safety, the PIPES Act of 2020. The PIPES Act created several  
776 updates for lead detection and repair requirements, report  
777 schedules for completion of outstanding rulemaking, and  
778 strengthened safety requirements for distribution and  
779 transmission of pipelines. Unfortunately, PHMSA is behind on  
780 many of these requirements.

781           Would you please provide the committee with an update of

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782 these overdue congressional mandates and regulations?

783 \*Mr. Brown. Yes, so we had a \_ we are tracking 36  
784 mandates from the 2020 PIPES Act. Just for context and  
785 benefit of the committee, there were 19 mandates in the  
786 previous version of the PIPES Act, or previous  
787 reauthorization. So we have completed over half of our  
788 mandates from that, and we are near completion on the rest of  
789 them.

790 \*Mr. Latta. Let me ask you. When you say "tracking,"  
791 how do you define tracking?

792 \*Mr. Brown. Well, as part of the 2020 PIPES Act the law  
793 directed us to provide monthly updates on our website. This  
794 is something most agencies do not do, but we began doing that  
795 for our standards and rulemakings that we are working. So we  
796 track, and track for the public, and allow for monthly  
797 updates on progress.

798 \*Mr. Latta. Okay. And also, as part of the PIPES Act,  
799 PHMSA is required to hold at least four advisory committee  
800 meetings per year for its Gas Pipeline Advisory Committee.  
801 Since January of 2021 there have only been three meetings.  
802 Do you believe these meetings hold value?

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803           And if so, why have there only been three meetings since  
804 that time?

805           \*Mr. Brown. Yes, I do believe they hold value. And in  
806 those meetings, the committees \_ which are represented by  
807 five industry representatives, five public representatives,  
808 and five other government agency representatives \_ they  
809 really work through section by section, and provide expertise  
810 from those diverse members. So I think they do provide  
811 value.

812           They also contribute, though, to a slower process than a  
813 standard rulemaking process in another agency. So there is a  
814 trade-off there. Those meetings require a fair amount of  
815 coordination to get 15 people in a room, not to mention all  
816 of our staff in the room. So historically, it has taken  
817 months to just \_ in amount of time \_ schedule those meetings.  
818 We are trying to make them efficient, not just hold a meeting  
819 for the sake of holding a meeting, but to actually get work  
820 done, particularly given the volume of mandates that we get  
821 from \_

822           \*Mr. Latta. Well, you know, I always want to make sure  
823 that, you know, we are just having \_ not having meetings to

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824 have meetings. But one of the things about having these  
825 meetings and these forums is to give us a more transparent \_  
826 transparency out there for the public, and I think it is  
827 important on that \_ and I know that trying to get people  
828 together.

829 But again, if people commit to being on a committee or  
830 some kind of a commission and working forward, you know, that  
831 is something \_ a commitment they make. And in my opinion, if  
832 they are not committed to doing it, then they need to, you  
833 know, get somebody else out there to do it. But I think it  
834 is really important that we do have that \_ those \_ that  
835 transparency on these forums.

836 Mr. Chairman, I am going to yield back the balance of my  
837 time.

838 \*Mr. Duncan. The gentleman yields back. I will now go  
839 to Ms. Matsui for five minutes.

840 \*Ms. Matsui. Thank you very much, Mr. Chairman.

841 Deputy Administrator Brown, thank you for being here  
842 today to address these all-important issues of safety.

843 In the T&I Committee hearing last summer, you said that  
844 PHMSA is being asked to do more with less. Natural gas

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845 infrastructure has tripled, and we may soon see the rapid  
846 growth of new pipeline networks for transporting carbon  
847 dioxide and hydrogen. Mr. Brown, in two sentences can you  
848 briefly describe some of the unique challenges and concerns  
849 surrounding carbon dioxide pipelines?

850 \*Mr. Brown. Yes, carbon dioxide is an odorless and  
851 colorless gas that is heavier, so it, when released into the  
852 environment, it can stay low to the ground, and it can be an  
853 asphyxiant. So that is a little bit unique compared to other  
854 products that either, you know, pool on the ground or  
855 essentially evaporate into the atmosphere. So it is unique  
856 in that context, among other things.

857 \*Ms. Matsui. Okay. Now what about the unique  
858 challenges and concerns relating to hydrogen pipelines?

859 \*Mr. Brown. Yes, hydrogen is a highly flammable  
860 product, and it is actually, when it is \_ combusts it can be  
861 very difficult to see a flame of a hydrogen flame. So again,  
862 when responding to an incident, you know, a rupture, and \_  
863 you know, it can be very difficult to \_ for first responders  
864 who are not familiar with that to respond to an incident.

865 \*Ms. Matsui. Okay, thank you. If there is a

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866 significant increase in the number and kinds of pipelines  
867 that PHMSA oversees, would that result in a significant  
868 increase in PHMSA's funding and staffing needs? Yes or no.

869 \*Mr. Brown. Not significant to the amount that we are  
870 expecting for the build-out, given the Bipartisan  
871 Infrastructure Law investments and the Inflation Reduction  
872 Act investments upwards of \$100 billion.

873 \*Ms. Matsui. Okay. If PHMSA's workload increases  
874 significantly, but your staffing and funding remains the  
875 same, in one word, would that increase or decrease the risk  
876 of an accident?

877 \*Mr. Brown. Overall, it would increase the risk that it  
878 doesn't receive the oversight from us.

879 \*Ms. Matsui. Okay, thank you. We are here today to  
880 consider the Pipeline Safety, Modernization, and Expansion  
881 Act, which would reauthorize PHMSA's pipeline safety  
882 programs. And yet, after everything Mr. Brown just told us,  
883 this bill would actually cut PHMSA funding by 18 percent.

884 Mr. Brown, how would an 18 percent reduction in funding  
885 affect PHMSA's ability to ensure the safety of U.S.  
886 pipelines?

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887           \*Mr. Brown. Given that we have been \_ continued to be  
888 stretched thin, I would say, you know, significantly reduce  
889 the ability to mitigate the risk and, really, to ensure the  
890 safe and \_ expansion of the emerging fuels of the future that  
891 will power our economy and allow America to continue to be  
892 the global leader in energy products and hazardous materials.

893           \*Ms. Matsui. So, in one word then, would this 18  
894 percent cut in funding increase or decrease the amount of  
895 time PHMSA takes to approve new pipeline permits or undertake  
896 new rulemakings?

897           \*Mr. Brown. Decrease.

898           \*Ms. Matsui. Increase, or \_

899           \*Mr. Brown. Sorry, increase the amount of time it would  
900 take would be increased.

901           \*Ms. Matsui. Okay. How would this affect PHMSA's  
902 ability to respond to the new challenges of CO2 and hydrogen  
903 pipelines?

904           \*Mr. Brown. It would hinder our abilities.

905           \*Ms. Matsui. Okay. Last year PHMSA announced a  
906 proposed rulemaking that would update leak detection  
907 requirements for natural gas pipelines. While natural gas

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908 burns cleaner than coal, if natural gas is released directly  
909 into the atmosphere it can have an even larger climate impact  
910 than coal.

911 How do PHMSA's funding and staffing shortages affect  
912 your agency's ability to detect and address methane leaks?

913 \*Mr. Brown. Well, there is \_ in recent years there has  
914 been a massive increase in the technologies deployed  
915 globally, from satellites to cars to individuals tracking  
916 methane emissions that just previously weren't really  
917 accounted for. And so we get an influx of, hey, have you  
918 checked this out?

919 And of course, we want to investigate any leak that  
920 could potentially be a safety hazard. And so, you know, part  
921 of the \_ this context of our increased focus on climate is  
922 that the entire marketplace is focusing on emissions that  
923 previously weren't tracked, and we are tracking them now.

924 \*Ms. Matsui. Okay. I don't have much time left, so I  
925 yield back the balance of my time.

926 \*Mr. Duncan. The gentlelady yields back. I will now go  
927 to Mr. Guthrie for five minutes.

928 \*Mr. Guthrie. Thank you, Chair, for \_ thanks for the



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929 time.

930           And thank you for being here, Deputy Administrator  
931 Brown. My first question. At a White House press conference  
932 on May the 11th, Secretary Granholm was asked about the  
933 feasibility of using rail to transport fuel to communities  
934 affected by the Colonial Pipeline incident. She responded  
935 that, while other options were being explored, pipe is the  
936 best way to go to get fuel to impacted communities.

937           So what does government data say about pipeline safety  
938 trends, and how does pipelines compare to other modes of  
939 transportation in terms of safety?

940           \*Mr. Brown. As the chair mentioned, the volume that you  
941 can move through a pipe on sort of a per-unit basis, there is  
942 a high level of safety. Obviously, if there is a problem and  
943 it is in your backyard, that doesn't provide a lot of solace.  
944 Fortunately, they are rare, but our goal is zero incidents,  
945 and we are far from that.

946           \*Mr. Guthrie. But pipelines are far safer than  
947 railroads.

948           \*Mr. Brown. On a per-unit basis for transportation,  
949 that is \_ I think the report will establish that.

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950           \*Mr. Guthrie. Okay, thanks. My second question. Many  
951 of PHMSA's regulatory requirements are decades old. As we  
952 have heard today, many of the reforms from the PIPES Act of  
953 2020 have not been implemented. I think you mentioned a  
954 schedule of implementing \_ amending them \_ implementing them.

955           But for example, the PIPES Act authorized PHMSA to  
956 establish a pipeline safety enhancement program to  
957 demonstrate the effectiveness of new pipeline safety  
958 technologies and analytic methods. However, my understanding  
959 is no pipeline operators have applied to PHMSA under the  
960 program as it has been implemented. Is that accurate, and do  
961 you have a reason \_

962           \*Mr. Brown. That is correct.

963           \*Mr. Guthrie. \_ why you think they \_

964           \*Mr. Brown. And I think the reason why \_ well, and to  
965 provide for further context, we asked \_ opened it up to the  
966 public of how should we implement this. You know, we have  
967 statutory requirements that apply here, and I think there was  
968 some \_ there is some dispute in the drafting on that front.

969           So we are trying to figure out how can you make sure to  
970 account for the environmental impacts \_ which presumably

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971 would be good for these new innovative technologies and  
972 benefit the environment \_ how do you account for that, and  
973 then how do you account for an equivalent level of safety?  
974 That is something I think everybody in the room wants, and we  
975 want that, too.

976 So it is just how do we implement it, and we would be  
977 glad to work with you and others on that. And I just really  
978 appreciate there has been leadership on the committee here in  
979 drafting that thoughtful piece of the legislation.

980 \*Mr. Guthrie. Do you think once that is worked through,  
981 that people will sign up for these meetings?

982 \*Mr. Brown. We hope so.

983 \*Mr. Guthrie. Well \_

984 \*Mr. Brown. That was the intent of, I believe, you all  
985 in drafting it. So we hope so.

986 \*Mr. Guthrie. Okay, good. And so do you think the  
987 current regulations are conducive to adopting new  
988 technologies that will improve \_ like you said, how do we get  
989 environmental benefit at a reasonable cost, at a cost, and  
990 how do we improve safety?

991 And do you think the current regulatory environment is

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992 satisfactory, or do you think it needs to be improved?

993 \*Mr. Brown. No, I think there is lots of room for  
994 improvement, and I think probably most people in the room  
995 would agree with that, too.

996 \*Mr. Guthrie. So what kind of \_ what do you think would  
997 be the most \_

998 \*Mr. Brown. Well, for example, there are voluntary  
999 standards that industry comes to that increase safety. We  
1000 have to go through a pretty lengthy process, including  
1001 scheduling a meeting. You know, it can take months just to  
1002 review what are essentially consensus-based standards, and  
1003 then incorporate them by reference in our regulations.

1004 Certainly, we could streamline that. Maybe we wouldn't  
1005 need a committee meeting. Maybe we have a short notice and  
1006 comment period just in case anybody has any objection. Maybe  
1007 you do an interim final rule. Again, all those things would  
1008 just allow for a more streamlined process to allow for  
1009 consensus-based progress.

1010 \*Mr. Guthrie. Okay, thank you. Thank you for your  
1011 time.

1012 And that does conclude my questions, and I will yield

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1013 back.

1014 \*Mr. Duncan. The gentleman yields back.

1015 I want to just correct for the record the funding  
1016 levels. The draft keeps the funding level flat to prior-year  
1017 funding levels. So we are not cutting PHMSA's budget, but  
1018 the draft does give more money for PHMSA's funding to the  
1019 states, where the inspectors and the engineers are actually  
1020 working on the ground. So of course, we authorize \_  
1021 appropriators appropriate, and we will see what the funding  
1022 levels end up being. But just for the record.

1023 I will now go to my friend, Mr. Tonko, for five minutes.

1024 \*Mr. Tonko. Thank you, Mr. Chair, and thank you, Deputy  
1025 Administrator Brown, for joining us today.

1026 In the past we have been able to come together to  
1027 support pipeline safety reauthorizations because we can all  
1028 agree on the important work that PHMSA does to keep Americans  
1029 safe. But the potential for strong bipartisanship falls  
1030 apart when these reauthorization efforts become more  
1031 interested in pipeline industry promotion rather than  
1032 pipeline industry safety regulation. So I hope that, moving  
1033 forward, we will stay much more narrowly focused on PHMSA's

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1034 primary mission, rather than infringing on the rights of  
1035 state and local governments.

1036 So Administrator Brown, let me ask you about another  
1037 aspect of the role of state governments. Can you explain a  
1038 little about that relationship between PHMSA and state  
1039 regulators, and what is the role of states in ensuring  
1040 pipeline safety?

1041 \*Mr. Brown. So about 85 percent of the mileage that we  
1042 oversee is inspected by state programs or state inspectors,  
1043 which we fund. Congress has authorized us to fund up to 80  
1044 percent of their state budgets. That is the authorization  
1045 level.

1046 However, the amount of funding that we have to  
1047 distribute to the states has really dropped from, you know,  
1048 somewhere in the 70 percent range just a few years ago down  
1049 into the low 60 percent \_ in some cases lower than that \_  
1050 range. So the President's budget includes a request for full  
1051 funding to ensure what the chair just noted, where most of  
1052 the inspections occur, to inspect and enforce \_ to ensure  
1053 compliance with the standards that PHMSA establishes.

1054 \*Mr. Tonko. So are states primarily responsible for

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1055 both larger intrastate pipelines and gas distribution  
1056 systems?

1057 \*Mr. Brown. Correct.

1058 \*Mr. Tonko. Okay. And what are some of the challenges  
1059 states face to being effective regulators?

1060 \*Mr. Brown. Well, they have the same challenge that we  
1061 have, which is a much bigger footprint of assets of energy  
1062 when we are producing and transporting record amounts of  
1063 fuel. They have got more \_ a bigger challenge, and then, of  
1064 course, the aging infrastructure continues to age, and you  
1065 have got a lot of construction projects happening both from,  
1066 you know, repair and replacement standpoint, as well as new  
1067 construction of pipe.

1068 \*Mr. Tonko. And your testimony mentioned that PHMSA  
1069 provides grants to states to support their pipeline safety  
1070 programs. What are those funds used for?

1071 \*Mr. Brown. So those are primarily used for hiring of  
1072 and salaries of pipeline inspectors. But there are a whole  
1073 host of other things that state programs do, from public  
1074 education to ensuring, you know, one of the largest threats  
1075 to pipeline infrastructure and other underground assets such

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1076 as fiber optics and telecommunications: excavation damages.  
1077 So these are inadvertent, often in the case of excavating and  
1078 construction or just digging in your yard. So states also  
1079 support those programs, as well.

1080 \*Mr. Tonko. Thank you. And how important is it, that  
1081 Federal funding to ensure these state programs have the  
1082 resources and capacity to carry out their responsibilities?

1083 \*Mr. Brown. I think it is of paramount importance, and  
1084 I am glad to hear maybe there is a growing consensus around  
1085 that. They really do need additional support. A lot of  
1086 state budgets have struggled to keep up. And so, you know,  
1087 it is a small amount, relative, I think, to the Federal  
1088 budget and even, to some extent, to our budget. So the  
1089 impact is tremendous.

1090 I will say, too, on a hiring front, just anecdotally in  
1091 talking to some of these state programs, you know, they have  
1092 struggled. In a red hot economy and a red hot job market,  
1093 they can't hire inspectors at the salaries they are able to  
1094 pay with their limited budgets. So allowing them to pay, you  
1095 know, comparative wages will help ensure they are able to  
1096 hire sufficient staff to oversee this massive infrastructure.



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1097           \*Mr. Tonko. And you indicated for fiscal year 2024 that  
1098 the Biden Administration requested increased funding. Have  
1099 historic funding levels not kept up with the growing workload  
1100 being put upon state safety inspectors?

1101           \*Mr. Brown. Yes, nowhere near. Certainly not, I would  
1102 say, in the last decade kept up, no.

1103           \*Mr. Tonko. And do you think there might be safety  
1104 consequences if the Federal Government reduces its support to  
1105 state partners?

1106           \*Mr. Brown. Yes, and I think there is some examples we  
1107 are glad to maybe provide for the record. But \_ where there  
1108 is \_ we have seen some challenges at the state level in the  
1109 large oversight responsibilities that they have.

1110           \*Mr. Tonko. Well, we know that state governments play  
1111 that important role as a co-regulator, so we should be doing  
1112 all we can to ensure they have the resources and personnel  
1113 necessary to uphold their responsibilities. And with that I  
1114 thank you.

1115           And I thank you, Mr. Chair, I yield back.

1116           \*Mr. Duncan. The gentleman yields back. Call before  
1117 you dig, right?

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1118 \*Mr. Brown. Call before you dig.

1119 \*Mr. Duncan. We now go to \_

1120 \*Mr. Brown. Eight-one-one.

1121 \*Mr. Duncan. Yes. Now go to Mr. Griffith, the chair of  
1122 the O&I Subcommittee who has been really busy lately.

1123 But you are recognized for five minutes.

1124 \*Mr. Griffith. Thank you very much, Mr. Chairman. I  
1125 appreciate it.

1126 My colleague, Mr. Guthrie of Kentucky, mentioned this  
1127 earlier, but as a part of the last reauthorization of the  
1128 Pipeline Hazardous Materials Safety Administration in 2020  
1129 the administration was charged with creating a pilot program  
1130 to test innovative leak detection and pipeline monitoring  
1131 technologies such as sensing foams or fiber optics to be  
1132 tested under Pipeline Safety Enhancement Program.

1133 Why has the Administration not been able to stand this  
1134 program up?

1135 \*Mr. Brown. Well, we didn't have folks applying to it,  
1136 so we sought public input on it. We got zero comments on how  
1137 we could actually stand it up. And so I think, as you will \_  
1138 as I read in the other \_ the second panel's testimony, you

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1139 know, the process for environmental assessment, as Congress  
1140 has established in the National Environmental Policy Act, you  
1141 know, could be burdensome to apply.

1142 We would just like to know what standard you envision.  
1143 We review environmental factors, as well as safety factors.  
1144 And so beyond that I think there is \_ that would really  
1145 provide the basis for standing up a successful program.

1146 \*Mr. Griffith. And in order to do that, we would have  
1147 to extend it. And you would be okay with that, would you  
1148 not?

1149 \*Mr. Brown. Extend the program?

1150 \*Mr. Griffith. Yes, sir.

1151 \*Mr. Brown. Yes.

1152 \*Mr. Griffith. Yes. And I mean, I believe that leak \_  
1153 real-time leak detection and pipeline operation monitoring  
1154 programs not only increase safety, but they also increase the  
1155 public's confidence. I have had this issue in my district in  
1156 pipelines because they feel like, okay, if there is going to  
1157 be a problem, it is going to be a lesser problem, the  
1158 pipeline company is going to come out and fix it fairly  
1159 quickly.

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1160           Do you agree with my assessment that it is not only good  
1161 for safety, but it is also good for the public \_

1162           \*Mr. Brown. Real-time monitoring?

1163           \*Mr. Griffith. \_ feeling good?

1164           \*Mr. Brown. Absolutely, absolutely.

1165           \*Mr. Griffith. Yes.

1166           \*Mr. Brown. Yes.

1167           \*Mr. Griffith. Let me ask you this. Do you believe \_  
1168 and I know that this is an awkward question for you, but do  
1169 you believe that the lack of Senate confirmation of an  
1170 administrator for the past three years stalled the  
1171 implementation of this pilot program?

1172           \*Mr. Brown. Thank you. That is an awkward question.  
1173 But no, I don't believe so. We have really had a record  
1174 amount of work done, and that is really a testament to the  
1175 career civil servants at the agency who continue their  
1176 exceptional work.

1177           \*Mr. Griffith. Well, I do hope we can get this program  
1178 started, because I know that \_ on one that the chairman and I  
1179 have had a lot of discussion on with Mountain Valley  
1180 Pipeline, if we had had something where we could tell people

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1181 that the pipeline was coming through, but we had these \_  
1182 whether it be the fiber optics or the foam, that we had that  
1183 in place as it was being put in the ground, it would have  
1184 allayed a lot of fear related to that project.

1185 \*Mr. Brown. Yes, and I just met with the Fiber Optics  
1186 Association. And the technologies are tremendous and  
1187 overlapping amongst modes, you know, the ability to track  
1188 traffic. You know, if you have a pipeline near a highway, we  
1189 \_ they are very excited about our methane leak detection  
1190 repair rule, and the ability to utilize technologies to do  
1191 exactly what you described.

1192 \*Mr. Griffith. Yes, I appreciate that. Do you believe  
1193 that the Federal Energy Regulatory Commission should have the  
1194 authority to require safety standards in technologies such as  
1195 the ones we have just discussed, and have the authority to  
1196 require that that be placed when the pipelines are being put  
1197 in the ground?

1198 \*Mr. Brown. As much as I would love to comment on  
1199 another agency's jurisdictional area, I generally try not to  
1200 do that so that others don't do that to me.

1201 \*Mr. Griffith. I can appreciate that. More simply,

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1202 then, how does your administration communicate with FERC and  
1203 advise them on safety requirements for new pipeline  
1204 construction?

1205 \*Mr. Brown. Oh, we work very closely with the  
1206 Commission. You know, in some cases they seek our input, in  
1207 some cases we are reaching out. But we work closely with  
1208 them.

1209 \*Mr. Griffith. Okay. But again, I will underscore  
1210 because I think it is an important point and one that I feel  
1211 passionately about, we could allay a lot of fears and make  
1212 pipelines safer if we use some of these new technologies. Do  
1213 you agree?

1214 \*Mr. Brown. I completely agree, and I think you  
1215 capture, really, the value of a lot of the work that we do on  
1216 the pipe \_ in the office of pipeline safety at the agency.  
1217 So thank you so much.

1218 \*Mr. Griffith. Thank you. I am very supportive.  
1219 I yield back.

1220 \*Mr. Duncan. The gentleman yields back. I will now go  
1221 to a representative who has a lot of pipelines in her  
1222 district, Mrs. Fletcher, for five minutes.

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1223           \*Mrs. Fletcher. Well, thank you so much, Mr. Chairman,  
1224 and I just want to join all of my colleagues in saying that I  
1225 too am really grateful for your leadership of this committee,  
1226 and I am sorry to see you go, but I understand your comments  
1227 from earlier. We have got a lot of work left to do this  
1228 year, and I am really glad that we are working on this  
1229 together and having this hearing today. So thank you for  
1230 that.

1231           And Mr. Brown, thank you so much for being here. I have  
1232 enjoyed seeing you in Houston on your visits, and I am glad  
1233 to see you here today before the committee. And I think this  
1234 has been a really useful hearing.

1235           As we all know, as we have discussed, PHMSA plays a key  
1236 role in developing and enforcing Federal safety regulations  
1237 for the nation's pipelines. We have talked today about the  
1238 statistics that I think most people don't know. People are  
1239 always surprised when I tell them there are 2.8 million miles  
1240 of paved roads and, you know, nearly 3.4 million miles of  
1241 pipelines. And I do believe that Americans rely on this  
1242 unseen infrastructure everywhere, you know, to heat our  
1243 homes, to fuel our cars, to power our economy. And it is the

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1244 safest and most reliable form of transportation, and what you  
1245 do is just so incredibly important. So I am glad we are  
1246 holding this legislative hearing today.

1247 I do agree with the comments. I have some concerns  
1248 about the process, but I am really hopeful that we will be  
1249 able to work together before the markup. I think it is very  
1250 important that we assert our jurisdiction here. I previously  
1251 served on the Transportation and Infrastructure Committee the  
1252 last time that we were working on these issues, and I think  
1253 it is really important for our committee to be able to weigh  
1254 in. And I know they are further, a little further along in  
1255 their process, and I have some amendments and some things I  
1256 would love to work on you with [sic], Mr. Chairman, and with  
1257 folks on your side of the aisle to try to make sure that our  
1258 bill receives the same good reception as we try to move it  
1259 forward.

1260 That said, I have some very specific questions for  
1261 Deputy Administrator Brown today, because these are critical  
1262 issues for my constituents and, of course, for all Americans.  
1263 And so I want to get right to those.

1264 PHMSA's procedures require the agency to hold a gas



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1265 pipeline advisory committee meeting before issuing final  
1266 rules, and the PIPES Act of 2020, which I worked on, included  
1267 language that required PHMSA to hold the GPAC meeting for the  
1268 long-proposed class location rule. The rulemaking would  
1269 allow pipeline companies to employ modern inspection  
1270 technologies, something that Mr. Griffith was just talking  
1271 about, Mr. Guthrie touched on as well, and is really  
1272 critically important to my constituents.

1273         And I think it is my understanding, at least, that GPAC  
1274 convened in November of last year, but was not able to  
1275 finalize the rule. They discussed the rule, but weren't able  
1276 to complete it. And so can PHMSA commit to holding the GPAC  
1277 meeting and finalizing the class location rule this year?

1278         \*Mr. Brown. Yes, we are planning to hold that meeting  
1279 at the end of March, which was the earliest available time to  
1280 get the committee together.

1281         \*Mrs. Fletcher. Terrific. Thank you for that. I look  
1282 forward to hearing what the result of that meeting is.

1283         One of the other pieces of legislation that I worked on  
1284 in the PIPES Act of 2020 was the PHMSA technology pilot  
1285 program, and that is to advance the latest high-tech

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1286 inspection technologies and analytics that can be used to  
1287 make pipelines safer.

1288 Obviously, safety is in the name of the agency. I know  
1289 that that is a priority. And the program was included in the  
1290 law, but I have heard concerns over its implementation have  
1291 prevented getting some of these new pilot technologies into  
1292 the field.

1293 And so my question for you \_ well, first question is, to  
1294 date has PHMSA received any applications to conduct pipeline  
1295 technology pilot projects?

1296 \*Mr. Brown. We have not, and I will \_ I think I will  
1297 just add, too, I think some of the impetus \_ and we  
1298 appreciate the work that you did on that piece of legislation  
1299 \_ some of the impetus was our special permit process, you  
1300 know, is a process that takes time. We are down to a queue  
1301 of zero in the special permit process. We have looked at how  
1302 we can improve that to be efficient. We want to use  
1303 innovative technologies, we want to just make sure that they  
1304 have an equivalent level of safety and environmental  
1305 performance.

1306 \*Mrs. Fletcher. Well, I appreciate that. I think one

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1307 of the concerns that I have heard is, of course, that because  
1308 the special permits are kind of one-time permanent waivers,  
1309 and \_ you know, that don't expire, that that is one of the  
1310 challenges in pushing this through. So it seems to me like  
1311 that might not be the best fit for a pilot program, where you  
1312 are deploying sort of experimental technology and trying to  
1313 figure it out.

1314 And so if the goal here is really to get new technology  
1315 into the field for a limited duration to test it, do you  
1316 support what \_ you know, Congress kind of addressing this in  
1317 a way where this program could maybe pull out of that area,  
1318 and the program could function as it was originally intended?

1319 \*Mr. Brown. Yes, I am happy to work with you on that.

1320 \*Mrs. Fletcher. That would be terrific. And I am just  
1321 about out of time. So I thank you very much for being here.  
1322 I look forward to continuing to work with you.

1323 And Mr. Chairman, I yield back.

1324 \*Mr. Brown. Great to see you, thanks.

1325 \*Mr. Duncan. I thank the gentlelady, and I will now go  
1326 to Mr. Johnson, the chair of the environmental subcommittee  
1327 who is retiring, as well, to take another job. He will be

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1328 missed. And a lot of comments have been made over the last  
1329 two months about Bill's tenure in Congress, and he is going  
1330 to be missed. He has been a valuable member of this  
1331 subcommittee, for sure.

1332 So Mr. Johnson from Ohio is recognized for five minutes.

1333 \*Mr. Johnson. Mr. Chair, before you start my time, let  
1334 me say that I echo those same comments to you. You and I  
1335 were classmates together in 2010. We have seen a lot of  
1336 water go under the bridge over the last decade-plus, and it  
1337 has been a pleasure and an honor to work with you. And I  
1338 know I am leaving earlier than you are. Who knows? You may  
1339 decide to leave earlier, too, it depends on what happens.  
1340 But I wish you all the best, and I have enjoyed working with  
1341 you and appreciate your leadership, as well. So now you can  
1342 hit the clock if you want to.

1343 Hey, well, look, thanks. And before I start, Deputy  
1344 Administrator, I want to express my gratitude. During the  
1345 immediate aftermath of the East Palestine train derailment,  
1346 in the hours and days following, my team and I had to get  
1347 smart really quick on a variety of environmental, chemical,  
1348 and hazardous materials issues. And I appreciate your staff,

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1349 some of which I know are here, who were extremely responsive  
1350 to my team, putting them in touch with subject matter experts  
1351 quickly, and getting us answers during an ongoing crisis to  
1352 help inform and \_ our response, and to hold those responsible  
1353 for the derailment and clean-up to account. So I appreciate  
1354 that.

1355         Also, you personally have been to the derailment site.  
1356 And on behalf of my constituents, I appreciate you making  
1357 that effort to be present and for listening to those affected  
1358 in the community. I appreciate it.

1359         But as you know, that is not what we are here for today.  
1360 I am going to go back. I have an AP article right here from  
1361 2022 describing the Biden Administration's goals for a UN  
1362 climate conference. It quotes a white House official saying  
1363 the Administration will embark on a "relentless focus to root  
1364 out methane emissions'" to pursue their climate goals. So  
1365 what does this mean in practice?

1366         Well, we examined this in my subcommittee last week.  
1367 The EPA answered that call and proposed not only an onerous  
1368 methane rule, one of the most expensive regulations in  
1369 history, but also a methane \_ a new methane tax on American

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1370 energy producers. And now it appears PHMSA is taking orders  
1371 from John Kerry and company, as well. The Pipeline and  
1372 Hazardous Materials Safety Administration. That is the title  
1373 of your administration. Nowhere in there do I see a climate  
1374 department. By the way, and your department has now issued a  
1375 new "leak detection rule."

1376 So Deputy Administrator Brown \_ and these \_ I have got a  
1377 lot of questions; I would appreciate a very concise answer \_  
1378 you and I both know your small agency has a huge  
1379 responsibility already, and it is an important one. Does  
1380 PHMSA really have the bandwidth to do its job, plus implement  
1381 a climate change agenda?

1382 \*Mr. Brown. We have to implement the laws you pass, and  
1383 the directive from the 2020 PIPES Act said that we have to  
1384 oversee the minimization of methane emissions. So this was a  
1385 directive to us. And it is actually \_ you gave us a timeline  
1386 for when we had to issue this rule.

1387 \*Mr. Johnson. Do you have the bandwidth to do that?  
1388 How can you do climate change and pipeline safety at the  
1389 same time?

1390 \*Mr. Brown. Well, methane \_

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1391           \*Mr. Johnson. Because that is not your job.

1392           \*Mr. Brown. Methane has 80 times the global warming  
1393 potential as carbon dioxide, but it is also a valuable  
1394 product that we use.

1395           \*Mr. Johnson. That doesn't matter. It is not your job.

1396           \*Mr. Brown. It \_

1397           \*Mr. Johnson. Are you concerned at all that focusing  
1398 your agency on climate could risk taking PHMSA's eye off the  
1399 ball in preventing future rail or pipeline catastrophes?

1400           \*Mr. Brown. I think there is a confusion of minimizing  
1401 methane emissions, which is the \_ what the law tells us to  
1402 do. Minimizing methane emissions also reduces climate  
1403 impacts. So \_

1404           \*Mr. Johnson. So okay, so are PHMSA's regulations then  
1405 always based on risk and safety benefits, or do you propose  
1406 regulations with the intent to address climate change, as  
1407 well? Because it sounds to me like you are morphing your  
1408 agency's job description, what you are \_

1409           \*Mr. Brown. There is \_

1410           \*Mr. Johnson. \_ set up to do.

1411           \*Mr. Brown. There is no way we can just do whatever I

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1412 want to do. I have to follow the law, and the law says the  
1413 environment and property is part of our mission.

1414 \*Mr. Johnson. Well, as my colleagues have outlined  
1415 today, PHMSA has been chronically slow to promulgate rules  
1416 and congressional mandates for years now. It is troubling  
1417 that you would use your finite resources and time on this  
1418 leak detection rule that includes gathering lines and other  
1419 infrastructure that aren't addressing safety risk, especially  
1420 when the issue is already being addressed, and is already  
1421 heavily regulated.

1422 So Deputy Administrator, did you coordinate with the EPA  
1423 to ensure that PHMSA rules like this leak detection proposal  
1424 are not duplicative with their methane regulations?

1425 \*Mr. Brown. We did.

1426 \*Mr. Johnson. Okay, great. Did you \_ do you know how  
1427 your rule will interact with the EPA's methane emissions  
1428 reduction program, the natural gas tax?

1429 And if a pipeline operator is in compliance with PHMSA  
1430 regulations, will they still have to pay the natural gas tax?

1431 \*Mr. Brown. We only would enforce our regulations and  
1432 EPA \_



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1433           \*Mr. Johnson. So you don't know if there is duplication  
1434 there or not. They could be hit twice, both by you guys and  
1435 by the EPA.

1436           \*Mr. Brown. Not that I am aware of.

1437           \*Mr. Johnson. Okay. Mr. Chairman, we obviously have  
1438 got a lot more questions about this and need some more  
1439 clarity. I am certainly going to urge that whoever takes  
1440 over my chairmanship on the Environment, Manufacturing, and  
1441 Critical Materials Subcommittee, that we continue to dig into  
1442 this because the American people deserve better than this.

1443           I yield back.

1444           \*Mr. Duncan. I thank the gentleman, and I look forward  
1445 to working with the next chairman on that committee, as well.

1446           Mr. Cardenas is recognized for five minutes.

1447           \*Mr. Cardenas. Thank you, Chairman Duncan and also  
1448 Ranking Member DeGette, for holding this important hearing.  
1449 And I would like to thank the Deputy Administrator Brown for  
1450 being here and for your patience, Mr. Brown.

1451           Also, I just want to say thank you to the chairman. It  
1452 has been a joy working with you, and I look forward to  
1453 working with you throughout the rest of this year to get some

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1454 more good work done. So thank you, and I know the feeling  
1455 about your announcement.

1456 [Laughter.]

1457 \*Mr. Cardenas. With pipelines running across nearly 3.4  
1458 million miles of the United States, it is undisputable that  
1459 pipeline safety is an issue that affects communities  
1460 throughout our entire nation.

1461 On average there are over 600 pipeline safety incidents  
1462 a year in the United States, most of which are due to issues  
1463 that are under the operator's control. This statistic tells  
1464 us that not only do we need to better \_ to do better to  
1465 protect communities, but that we can prevent the majority of  
1466 incidents with meaningful investments and intentional policy  
1467 and oversight.

1468 Deputy Administrator Brown, with limited resources how  
1469 long does it currently take to assess, investigate, and  
1470 respond to pipeline incidents?

1471 And how long would it take, if funded more  
1472 appropriately, to actually get these responsibilities done  
1473 sooner?

1474 \*Mr. Brown. Well, thank you for that question, and it

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1475 is one, I think, that is really valuable for the public to  
1476 understand, that it can take, you know, upwards of a year,  
1477 sometimes more, to investigate the root cause of a pipeline  
1478 failure, and to get that information, produce it into a  
1479 report that the entire sector can benefit from in terms of  
1480 identifying similar issues across the pipeline system.

1481 And so, you know, the sooner we can get that information  
1482 done, the more resources we have to do our investigations and  
1483 produce that information. Really, the more the sector here  
1484 in the United States benefits and, really, the whole world,  
1485 which all has a positive impact on the environment when we  
1486 are able to keep the product in the pipe, as the chairman  
1487 said earlier today.

1488 \*Mr. Cardenas. And the resources you need to do your  
1489 job effectively and expeditiously, is it available to your  
1490 department at this time?

1491 \*Mr. Brown. So we have to triage with the resources  
1492 that we have. And you know, most of my written testimony is  
1493 about the vast new responsibilities that we have just in the  
1494 last few years, from \$100 billion in investing in new  
1495 infrastructure of the future. We will have \_ we have a very

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1496 tall task to do with the resources we have, given that we  
1497 have already been stretched pretty thin.

1498 \*Mr. Cardenas. So you could use more resources. If you  
1499 did have more resources, you would be able to be more  
1500 effective and more expeditious in \_

1501 \*Mr. Brown. Absolutely.

1502 \*Mr. Cardenas. Okay, thank you. And I want to remind  
1503 the public that it is Congress that gives you those  
1504 resources. You don't make them up. You don't pull them out  
1505 of a bag. It is Congress that has the power of the purse,  
1506 such as committees like this would be involved in not only  
1507 policy, and committees down the hall would be involved in  
1508 making sure that the money is actually put where it needs to  
1509 be so you can do your job more expeditiously and more  
1510 effectively for the people of the United States.

1511 I want to make sure my colleagues understand why it is  
1512 so critical that we do not cut corners here. Nearly two  
1513 years ago there was a massive explosion at the Freeport LNG  
1514 facility in Texas that was devastating for the community  
1515 surrounding that facility. Frankly, it was a miracle that no  
1516 one was killed. The explosion still serves as a reminder

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1517 that safety at LNG facilities is not just about the safety at  
1518 the facility itself, but also about the protection of the  
1519 people and the community surrounding our facilities.

1520           Recognizing this, when Congress wrote the PIPES Act of  
1521 2020 it included a requirement that PHMSA update safety  
1522 standards for LNG export facilities. Administrator Brown,  
1523 what is the status of this requirement?

1524           \*Mr. Brown. We are in the drafting stage, and you  
1525 captured it perfectly with how close that was to being a  
1526 fatal incident. We want to learn the lessons from that  
1527 incident and include them in that update of LNG facilities,  
1528 which is long outstanding and certainly a top priority.

1529           \*Mr. Cardenas. Okay. So it is safe to say that PHMSA  
1530 was unable to meet its three-year timeline for new standards  
1531 under the law. How would additional resources to your  
1532 department have helped PHMSA complete this rulemaking on  
1533 time?

1534           \*Mr. Brown. Well, just to the benefit of everybody, we  
1535 \_ when I arrived at the agency we had two regulatory  
1536 attorneys helping draft our rules. And we have, you know, 36  
1537 mandates in the \_

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1538 \*Mr. Cardenas. Only two regulatory attorneys?

1539 \*Mr. Brown. Yes, yes. So one of the first things we  
1540 did was hire more regulatory attorneys to help us draft those  
1541 rules.

1542 But yes, that is why \_ and I went back and reviewed the  
1543 last hearing that our agency had in this committee, and these  
1544 same questions and concerns and existed back then. And so we  
1545 thank the support of the PIPES Act to hire more individuals,  
1546 and we welcome engaging on that subject, as well, for the  
1547 next reauth.

1548 \*Mr. Cardenas. Thank you.

1549 My time expired. Mr. Chairman, I yield back.

1550 \*Mr. Brown. Thank you.

1551 \*Mr. Duncan. The gentleman yields back. I will now go  
1552 to the chairwoman of the full committee, Chair Rodgers, for  
1553 five minutes.

1554 \*The Chair. Thank you, Mr. Chairman.

1555 The Energy and Commerce Committee has the responsibility  
1556 to provide the oversight and the accountability for the  
1557 funding and for the agency. PHMSA is the nation's primary  
1558 regulator of pipelines, hazardous \_ and hazardous material

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1559 transportation.

1560 I am fundamentally deeply concerned that President Biden  
1561 has failed to nominate an administrator for three years.  
1562 Nobody has been nominated even. So when you talk about  
1563 giving more money to an agency that doesn't even have an  
1564 administrator at the top, it seems like \_ to me \_ we have to  
1565 start there.

1566 So Mr. Brown, do you agree that PHMSA would benefit from  
1567 a Senate-confirmed leader to manage the agency?

1568 \*Mr. Brown. Yes, ma'am.

1569 \*The Chair. Okay, thank you. And you know \_ and  
1570 without the leadership, then \_ you know, there is over 500  
1571 employees at PHMSA. You just mentioned you have two  
1572 regulatory attorneys.

1573 \*Mr. Brown. We have a few more now, but we started off  
1574 with two when I got there.

1575 \*The Chair. So there is several incomplete mandates  
1576 from the PIPES Act of 2020 \_ you just mentioned 36, maybe \_  
1577 prior pipeline safety authorizations that have not yet been  
1578 completed. Meanwhile, PHMSA is proposing unrelated  
1579 regulations that appear to exceed your statutory authority

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1580 granted to you by Congress, and distract from the safety  
1581 mission. So why should Congress give PHMSA new mandates when  
1582 it hasn't completed the existing work?

1583 \*Mr. Brown. Historically, when I just \_ comparatively,  
1584 in 2016, during our reauth, we had 19 mandates, and in 2020  
1585 we had 36. Many of those were some of the outstanding ones  
1586 from 2016.

1587 We welcome \_ we want \_ we always want to be doing more.  
1588 There is so much work to do. So really, we welcome them, and  
1589 we are most of the way done with our mandates. But we do  
1590 have to triage our resources. We do oversee \_ and most of my  
1591 testimony was about \_ and really, as I noted, you know, you  
1592 highlighted how much more infrastructure we have, and how  
1593 much more energy we are moving in the United States. We are  
1594 the ones who have to oversee it and ensure the safe  
1595 transportation Mr. \_ Congressman \_

1596 \*The Chair. Okay, okay, reclaiming my time, my question  
1597 is why are you going \_ why are you focusing on regulations  
1598 that exceed your statutory authority before you complete the  
1599 mandates that have been put into the law?

1600 \*Mr. Brown. So I think the question is related to the



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1601 methane leak detection repair rule. That was a directive.  
1602 We were directed to do that rulemaking in the 2020 PIPES Act  
1603 signed into law by President Trump.

1604 \*The Chair. What? You exceeded \_ my understanding is  
1605 that the authority that was granted to you in the law has  
1606 been exceeded by the agency. That is of concern to me, as  
1607 the chairman of this committee. That is, to be ensuring that  
1608 agencies are fulfilling the statutory authority granted to  
1609 them by the elected representatives of the people, not making  
1610 up your own decisions as to what authority you have. And I  
1611 know we have courts that also get into that.

1612 So Mr. Brown, PHMSA exceeded its statutory authority in  
1613 the proposed leak detection regulation \_ that is the one you  
1614 were just mentioning \_ by failing to propose risk-based  
1615 safety measures. It does not appear that PHMSA gathered  
1616 feedback from the public and pipeline operators prior to  
1617 proposing the rule because it is riddled with technical and  
1618 legal flaws. Now it is likely to be challenged and  
1619 overturned, which will delay important safety regulations  
1620 even further.

1621 So yes or no, do you agree that PHMSA regulations should

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1622 be risk-based and cost effective?

1623 \*Mr. Brown. Yes, and we believe they are.

1624 \*The Chair. Yes or no, is it true that PHMSA's leak  
1625 detection rule expands PHMSA's jurisdiction to include  
1626 gathering lines, and justifies it based on climate change  
1627 benefits?

1628 \*Mr. Brown. As well as safety benefits.

1629 \*The Chair. Thank you. Was climate change in the law?

1630 \*Mr. Brown. Was it \_ that \_ it was a part of a 2,000-  
1631 page law, and it directed us to minimize methane emissions,  
1632 which has an 80 times the global warming potential as carbon  
1633 dioxide. So minimizing methane emissions does mitigate  
1634 climate change.

1635 \*The Chair. Was it in the law?

1636 \*Mr. Brown. Yes, that was in the law.

1637 \*The Chair. Climate change?

1638 \*Mr. Brown. Minimizing methane emissions.

1639 \*The Chair. That you justify based on \_ upon climate  
1640 change.

1641 \*Mr. Brown. There may be a dispute on whether  
1642 minimizing methane emissions has the impact of impacting

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1643 climate change.

1644 \*The Chair. Okay.

1645 \*Mr. Brown. We believe the science says it does.

1646 \*The Chair. Okay.

1647 \*Mr. Brown. I think there is a consensus \_

1648 \*The Chair. Well, just reclaiming my time, when you are  
1649 justifying based \_ when you are adding a requirement that  
1650 justifies based upon climate change benefits, I believe that  
1651 that is beyond what the legislation proposed.

1652 So yes or no, Congress intended for PHMSA rules to be  
1653 cost effective, meaning that compliance costs are justified  
1654 in improved safety for the American people. Should the  
1655 American people pay more for energy to offset regulatory  
1656 costs that do not have a safety benefit?

1657 \*Mr. Brown. That do not have a safety benefit?

1658 \*The Chair. Yes.

1659 \*Mr. Brown. I would really have to understand what we  
1660 are talking about here. I am not sure I am aware of any.

1661 \*The Chair. Does climate change have a safety benefit?

1662 \*Mr. Brown. Absolutely. The endangerment finding that  
1663 I think is upheld since the Bush Administration specifically

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1664 calls out the public health and welfare benefits of  
1665 mitigating \_

1666 \*The Chair. To consumers?

1667 \*Mr. Brown. \_ climate change.

1668 \*The Chair. To consumers?

1669 \*Mr. Brown. I mean, I think if you look at hurricanes  
1670 and the actual cost, or if you ask insurance companies \_ ask  
1671 the private sector, do they think there are safety and health  
1672 risks from global climate change, The marketplace says yes.

1673 \*The Chair. But the safety \_

1674 \*Mr. Brown. The company actually \_

1675 \*The Chair. \_ of the pipelines, does it impact the  
1676 safety of the pipelines?

1677 \*Mr. Brown. Absolutely. And in fact, we have a  
1678 regulation \_

1679 \*The Chair. Okay, okay, yet to be determined.  
1680 I yield back.

1681 \*Mr. Duncan. The gentlelady yields back. I now  
1682 recognize the ranking member of the full committee, Mr.  
1683 Pallone, for five minutes.

1684 \*Mr. Pallone. Thank you, Mr. Chairman.

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1685           And Mr. Brown, I want to get to the authorization levels  
1686 and then to the methane, so I am going to try to, you know,  
1687 do both here.

1688           The Republican discussion draft makes deep cuts to  
1689 PHMSA's authorization levels. Just over 3 years ago, when we  
1690 passed the Bipartisan PIPES Act of 2020, Republican and  
1691 Democrats from both chambers came together to reauthorize  
1692 PHMSA's pipeline safety activities at a level of 238 million  
1693 by fiscal year 2023. And the bill in front of us today would  
1694 enact an unreasonable reduction to that number, cutting  
1695 PHMSA's pipeline safety activities by 42 million, or nearly  
1696 20 percent.

1697           Now, I disagree with Chairman Duncan's analysis of these  
1698 numbers. So let me repeat the bipartisan authorization that  
1699 Congress passed in 2020 included a 238 million authorization  
1700 for PHMSA's pipeline safety activities across 6 different  
1701 activities in fiscal year 2023. The current draft bill  
1702 before us authorizes 196 million across 4 different  
1703 activities. And any way you want to look at it, that is a 42  
1704 million annual cut.

1705           So my question is, there has been a lot of talk about

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1706 how PHMSA is still working on required rulemaking from the  
1707 2016 and 2020 authorizations. Would the 42 million annual  
1708 cut included in this bill harm PHMSA's ability to finalize  
1709 those required rulemakings?

1710 \*Mr. Brown. Yes, sir.

1711 \*Mr. Pallone. All right. And, I mean, I think it is  
1712 clear that Republicans \_ you know, that their bill would  
1713 actually make pipelines across the nation more dangerous. I  
1714 don't know how they are going to get around that.

1715 But I also wanted to turn to PHMSA's methane leak  
1716 detection rule, which you proposed last May. The rule was in  
1717 direct response to requirements that Congress passed 3 years  
1718 ago in the PIPES Act of 2020 mandating that PHMSA require  
1719 pipeline operators to create and conduct methane leak  
1720 detection and repair programs to protect both safety and the  
1721 environment. And I strongly support PHMSA's proposed rule,  
1722 which would make pipelines safer, our environment cleaner,  
1723 and would generate over \$2 billion in annual benefits.

1724 So my question here, Mr. Brown, can you talk about the  
1725 benefits that would result from the rule, and how it would  
1726 both enhance safety and protect the environment?

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1727           \*Mr. Brown. Yes, and thanks for offering the chance to  
1728 clear up.

1729           The rule was a directive from Congress signed into law  
1730 by President Trump. It actually directed us, as well, to  
1731 include environmental benefits from \_ in our cost benefit  
1732 analysis. So we are following the law as directed by this  
1733 committee and the Congress that enacted that law.

1734           But many of the benefits is really harnessing American  
1735 ingenuity. We in America are the global leaders, and I look  
1736 at many of the members from Texas and from so many different  
1737 states \_ New Jersey \_ that are developing technologies to  
1738 identify methane emissions and then capture them, mitigate  
1739 them, keep the product in the pipe, which is really the goal  
1740 that I hear from \_ I think the chairman has mentioned it, but  
1741 also from the private sector.

1742           So what we are trying to do is effectuate the directive  
1743 that we were given. But really, it is to be the global  
1744 leaders in harnessing the technology to keep product in the  
1745 pipe, which ultimately allows us to use that product more  
1746 efficiently and safely.

1747           \*Mr. Pallone. Well, I appreciate that.

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1748           And let me just add, you know, many of us, both  
1749 Democrats and Republicans on the committee, went to the  
1750 climate conference in Dubai a couple of months ago, and I was  
1751 very proud of the fact that we were able to say that we were  
1752 out front on trying to deal with methane, not only with what  
1753 you have done, but also what the EPA has done.

1754           And, you know, Senator Kerry talked about all of this,  
1755 and was able to get, you know, other countries both this time  
1756 as well as the previous time to enact a methane reduction  
1757 program. And of course, we did that also in the Inflation  
1758 Reduction Act. So when you talk about our global leadership,  
1759 this is one of the key areas where the United States has  
1760 exercised global leadership and convinced other countries to  
1761 come along.

1762           So, you know, I look at it not only from a safety point  
1763 of view, which is the focus of today, but also from an  
1764 environmental point of view and trying to reduce the negative  
1765 impacts of climate change.

1766           And also, you know, in my district we have a lot of the  
1767 refineries, and they see the methane flame. So it is very  
1768 easy for me \_ a lot of times with this committee, when I talk



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1769 about what we are doing in a positive way to help people, it  
1770 is hard to explain at home. But this is very easy to explain  
1771 at home.

1772 So thank you very much. And with that I yield back, Mr.  
1773 Chairman.

1774 \*Mr. Johnson. [Presiding] The gentleman yields back.  
1775 The chair now recognizes the gentleman from that state up  
1776 north, Mr. Walberg, for five minutes.

1777 \*Mr. Walberg. Go, Blue.

1778 \*Mr. Brown. Go, Blue.

1779 \*Mr. Walberg. Go, Lions, yes. Thank you, Mr. Chairman,  
1780 and thank you, Mr. Brown, for being here as well.

1781 I don't think it is really debatable that pipelines are  
1782 the safest, cleanest way to transport energy resources across  
1783 the U.S. and internationally. Certainly, it is in Michigan.  
1784 And Line 5 in Michigan transports both the liquids for the  
1785 jet fuel that got me to the warm climes of D.C. from Michigan  
1786 on Tuesday, and the propane that heats nearly 400,000  
1787 households across our state, especially up north and in the  
1788 UP, especially during these cold weeks like this one. Safety  
1789 of these vital assets is our number-one priority, which is

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1790 why I am grateful that we are discussing this legislation,  
1791 the chair's Pipeline Safety, Modernization, and Expansion  
1792 Act.

1793 In December, Line 5 finally received, after four years,  
1794 a permit from the Michigan Public Service Commission to move  
1795 forward with the Great Lakes Tunnel project, which would  
1796 inarguably make that pipeline \_ make it almost impossible for  
1797 a spill to take place in our Great Lakes resources. And yet  
1798 there is still other things that have to be done. There are  
1799 great changes that should be made. And yet this process took  
1800 four years, and they still have more to go.

1801 Mr. Brown, I understand that you have no bearing over  
1802 our state processes, or what happens next with the Army  
1803 Corps, but I think this is indicative of our entire  
1804 permitting process, and it is why the legislation includes  
1805 expanded authority for FERC to step in to authorize Federal  
1806 permits for changes to an existing pipeline if another state  
1807 or Federal agency fails to do so within a year. That would  
1808 have helped with Line 5.

1809 How should the administration better address permitting  
1810 delays for projects that modernize and improve safety for

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1811 existing pipelines?

1812           And let me add, as well, if safety is a true goal, why  
1813 do these updates take so long to approve?

1814           \*Mr. Brown. So our agency does not have any  
1815 jurisdiction over the permitting process. I will just say  
1816 when we have safer outcomes, when we have better  
1817 environmental performance, I think that helps get to the  
1818 underlying issues that you sometimes have with permitting.  
1819 So the better we are able to do our job, I presume that will  
1820 have some benefit, particularly since states do have a great  
1821 deal of permitting authority.

1822           \*Mr. Walberg. Yes, well, the \_ this legislation would  
1823 help out, and would give opportunity for the Feds with a  
1824 consult from you, to \_

1825           \*Mr. Brown. I can't comment on the sort of permitting  
1826 process in the legislation, just because it is outside of our  
1827 jurisdiction. Certainly, we welcome the commentary today  
1828 about the resources that it takes for us to do our jobs, and  
1829 we welcome engaging on that topic.

1830           \*Mr. Walberg. Well, moving on, violence and protesting  
1831 of pipelines has increased significantly, with many of these

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1832 disruptions lauded as justified by the mainstream media in  
1833 the fight against climate change. But we have seen the data  
1834 that shows how much safer and environmentally friendly  
1835 pipelines are compared to other modes of transportation,  
1836 which \_ many go through our communities and are challenging.

1837 We are always going to need fossil fuels. Even on an EV  
1838 they are used to make many of its plastic components. So we  
1839 are always going to need pipelines.

1840 Mr. Brown, does PHMSA consider acts to damage or destroy  
1841 an interstate natural gas or hazardous liquids pipeline  
1842 facility an appropriate form of protest against climate  
1843 change?

1844 \*Mr. Brown. No, we do not support violence. When we  
1845 find it, we refer \_ or any threats, we refer to the  
1846 Transportation Security Administration.

1847 \*Mr. Walberg. What is PHMSA doing to increase security  
1848 of pipelines and the safety of their surrounding communities  
1849 amidst rising violence?

1850 \*Mr. Brown. The Transportation Security Administration  
1851 has the primary jurisdiction over security, but our  
1852 inspectors have a good working relationship with the TSA.

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1853 And so when we identify any risks, we report them to the TSA.  
1854 And we have increased \_ we actually train the TSA officials  
1855 in the work that we do so they have a better understanding,  
1856 as well.

1857 \*Mr. Walberg. Okay, thank you.

1858 I yield back.

1859 \*Mr. Brown. Thank you.

1860 \*Mr. Johnson. The gentleman yields back. The chair now  
1861 recognizes the gentlelady from New Hampshire, Ms. Kuster, for  
1862 five minutes. Sorry about that.

1863 \*Ms. Kuster. No worries at all.

1864 \*Mr. Johnson. It is on your tag; I should read.

1865 [Laughter.]

1866 \*Ms. Kuster. We do actually have a very big day coming  
1867 up on Tuesday, so everyone will know about New Hampshire.

1868 Thank you for hosting this hearing, Chairman Duncan and  
1869 Ranking Member DeGette, and thank you for being here, Deputy  
1870 Administrator Brown. I am very excited to welcome a former  
1871 Granite Stater to our committee.

1872 Before I get into questions I want to take a moment to  
1873 step back. While pipeline safety is an important area for

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1874 congressional oversight, I believe we must have a more  
1875 holistic conversation about the reliability of natural gas \_  
1876 of our natural gas system.

1877         In the last 11 years there have been 5 major, unplanned  
1878 gas generation outages, including Winter Storm Elliot in  
1879 December of 2022, Winter Storm Uri in February 2021, and they  
1880 have taken hundreds of lives and cost billions of dollars in  
1881 damages. This illustrates that safety and reliability do go  
1882 hand in hand.

1883         Despite being the backbone of our energy system, there  
1884 is currently no singular reliability regulator to oversee the  
1885 natural gas system. Take a quick look at our natural gas  
1886 system, and you will see upstream producers are regulated by  
1887 a hodgepodge of state-level entities like the Texas Railroad  
1888 Commission or the Pennsylvania Department of Environmental  
1889 Protection. Midstream, natural gas transmission is regulated  
1890 by PHMSA, Pipeline Hazardous Materials Safety Administration.  
1891 Downstream, in our gas system, generators are regulated by  
1892 FERC, and local distribution companies are regulated by PHMSA  
1893 and state utility commissions. This alphabet soup of state  
1894 and Federal-level regulators means there is no one entity

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1895 responsible for thinking about the reliability of the entire  
1896 natural gas system.

1897 I believe the October 2023 FERC staff report lays out  
1898 some thoughtful ideas about the value of having a system-wide  
1899 reliability regulator for the natural gas system, and I hope  
1900 my colleagues are willing to work with me to help ensure the  
1901 reliability of this critical energy source.

1902 Turning to this legislation, one issue I see with the  
1903 majority's draft pipeline safety reauthorization bill is that  
1904 it does not eliminate the non-application clause of 60104(b).  
1905 This language prohibits PHMSA from applying new design,  
1906 installation, construction, or testing standards to existing  
1907 pipelines, and this can have dire consequences, as we know.

1908 In 2018 a series of fires and explosions destroyed 131  
1909 homes, injured 22 people, and killed 1 person in Lawrence,  
1910 Massachusetts, just neighboring my district, home to our  
1911 colleague, Lori Trahan. The cause? Faulty construction  
1912 procedures. Leaving the system without appropriate pressure  
1913 regulation led to over-pressurization on the gas system. In  
1914 response to the tragedy, Congress gave PHMSA the authority to  
1915 prevent over-pressurization. But if there is a new

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1916 development in valves that could save lives, like rupture  
1917 mitigation valves, PHMSA is prohibited from requiring those  
1918 safety measures be added to older pipelines.

1919 Deputy Administrator Brown, how does 60104(b) impact  
1920 PHMSA's ability to ensure that the existing pipeline system  
1921 reflects the most up-to-date safety standards?

1922 \*Mr. Brown. Thank you for that question, Congressman.  
1923 We were \_ the National Transportation Safety Board had  
1924 recommended that we apply our automatic and remote shut-off  
1925 valve rule to existing pipelines. However, because of the  
1926 statute, we are unable to do that. The bulk of the  
1927 application of that rule would apply to the existing  
1928 infrastructure, but we were unable to do that.

1929 So it does apply to, you know, completely replaced pipe  
1930 and new pipe, but unfortunately, not to existing pipelines.

1931 \*Ms. Kuster. Thank you, and I think your answer  
1932 illustrates our need to take a hard look at reforming this  
1933 section.

1934 Thank you, and I yield back.

1935 \*Mr. Brown. Thank you.

1936 \*Mr. Johnson. The gentlelady yields back. The chair



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1937 now recognizes the gentleman from Alabama, Mr. Palmer, for  
1938 five minutes.

1939 \*Mr. Palmer. I thank the chairman, and I will add my  
1940 comments to the departure of you and Mr. Duncan. You will be  
1941 missed. I want to talk with you a little bit about \_

1942 \*Mr. Johnson. That sounded heartfelt. Thank you very  
1943 much.

1944 \*Mr. Palmer. Well, you are not a Michigan fan, so \_  
1945 [Laughter.]

1946 \*Mr. Palmer. Back to the issue at hand. It seems to me  
1947 that some of my colleagues across the aisle are raising  
1948 concerns about using pipes for sequestering CO<sub>2</sub>. And I know  
1949 they have grave concerns about the impact of carbon dioxide  
1950 on influencing climate change.

1951 One of the safest ways to sequester CO<sub>2</sub> is through  
1952 pipelines. I was in Norway back in August, visited one of  
1953 the largest natural gas production facilities in the world,  
1954 and about an hour away is their \_ one of the most modern  
1955 facilities in the world for sequestering carbon dioxide.

1956 So what are the concerns of your agency about  
1957 sequestering CO<sub>2</sub> and using pipelines for doing that?

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1958           \*Mr. Brown. Thank you, Congressman. There was a good  
1959 track record of moving carbon dioxide via pipeline until  
1960 2020, a tragic incident in your neighboring state, in  
1961 Satartia, Mississippi. And really, we saw a lot of things go  
1962 wrong. We had \_

1963           \*Mr. Palmer. That is the only one.

1964           \*Mr. Brown. Correct. That is the only major incident.

1965           \*Mr. Palmer. Yes.

1966           \*Mr. Brown. And \_ but it did impact an entire  
1967 community. And we were lucky that there were no fatalities.

1968           And so we are working, you know, really, with  
1969 stakeholders across the spectrum to mitigate the risks from  
1970 the areas we saw that could be improved.

1971           \*Mr. Palmer. I really think the concern is not so much  
1972 about the transport of CO2 via pipeline as much as it is  
1973 about the complete elimination of hydrocarbon fuels. You  
1974 don't need to do CO2 mitigation or sequestration if you are  
1975 not producing natural gas or other hydrocarbon products, and  
1976 I think we have seen this.

1977           And I wonder sometimes how much non-government  
1978 organizations influence your policymaking. It certainly did

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1979 in Europe. Russian-backed NGOs convinced Europe that  
1980 fracking was bad, and made them more and more reliant on  
1981 Russian gas, which I found interesting. And then, when you  
1982 start talking about pipelines, in the very first week of  
1983 President Biden's administration he shuts down Keystone XL,  
1984 but approves Nord Stream II, gives a green light to that, and  
1985 also pulled out of an agreement on the East Mediterranean  
1986 pipeline.

1987           So I am not sure that it is all that much about safety  
1988 and issues, as it is just part of the climate agenda that  
1989 imposed extraordinary difficulties on people in Europe. I  
1990 don't know if you saw the report from The Economist last year  
1991 that 68,000 people died in \_ during the winter last winter in  
1992 Europe, which was a relatively mild winter, because they  
1993 could no longer afford their household utility costs. They  
1994 didn't freeze to death, these are people who had  
1995 complications such as respiratory illnesses, cardiovascular.  
1996 And we are going to see the same thing here if we continue  
1997 down this path of trying to basically terminate any use of  
1998 natural gas, which the hearing last week and some of the  
1999 discussion today leads me to conclude that that is where this

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2000 is heading.

2001           Going back to the responsibility of your agency, your  
2002 agency shouldn't \_ should really be neutral on natural gas or  
2003 oil or anything else that is transported by pipelines. You  
2004 should be making sure that it is transported safely, and that  
2005 we have an adequate infrastructure.

2006           \*Mr. Brown. We are neutral, and we just try to be ahead  
2007 of the market and mitigate risk.

2008           \*Mr. Palmer. Well, my big concern here is how this  
2009 impacts people. And I know there are instances where there  
2010 are accidents with natural gas or accidents with everything.  
2011 There are accidents falling into a bathtub, but we are not  
2012 banning bathtubs. So I appreciate your focus on making sure  
2013 that we have the infrastructure we need, and that the  
2014 infrastructure is maintained in a way that we can rely on it  
2015 and know that these fuels are being transported safely.

2016           With that, Mr. Chairman, I yield back.

2017           \*Mr. Weber. [Presiding] I thank the gentleman. The  
2018 chair now recognizes Dr. Schrier.

2019           Are you ready? Okay, you are recognized, even though  
2020 you are from Washington.

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2021 [Laughter.]

2022 \*Ms. Schrier. Well, thank you, Mr. Chairman, for half  
2023 of that.

2024 And thank you, Mr. Brown, for being here today to  
2025 testify. I wanted to start by expressing how important  
2026 pipeline safety is in my home state of Washington.

2027 This year marks the 25th anniversary of the Olympic  
2028 pipeline explosion in Bellingham, Washington, less than an  
2029 hour outside my current district. And it killed three young  
2030 people and devastated the local ecosystem. And many of the  
2031 safety protections and considerations currently in place stem  
2032 from this tragedy, and that is why it is so incredibly  
2033 important to me that we do nothing to reduce current safety  
2034 standards and the capacity of PHMSA through policy changes or  
2035 funding authorization levels.

2036 Mr. Brown, my colleague, Representative Tonko, already  
2037 discussed some of this, but I am also concerned by the bill's  
2038 inclusion of an 18 percent cut to currently authorized  
2039 levels. Grants awarded to PHMSA have been key in improving  
2040 Washington State's pipeline safety, particularly the state  
2041 Damage Prevention and state One Call Grants that improve the

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2042 mitigation of excavation damages in the state.

2043           Could you please speak on how important grant programs  
2044 like these are for states in maintaining pipeline safety?

2045           \*Mr. Brown. Yes, thank you for the question, and thank  
2046 you for acknowledging that incident. I had the pleasure of  
2047 meeting the victims' parents, one of the victims' parents in  
2048 Washington State. And they really inspired the work that we  
2049 do at the agency. We have got a display of the last  
2050 communication from Liam Wood to his family, and that tragic  
2051 incident.

2052           But the largest source of damages to pipeline  
2053 infrastructure are excavation damages. The One Call programs  
2054 provide funding for states to address those, that major risk.  
2055 We are \_ we still have a big challenge when it comes to  
2056 addressing those issues. You know, folks don't know what is  
2057 below. And so you got to call before you dig, call 811. And  
2058 that \_ those programs at a state level help ensure that that  
2059 does occur. There are requirements to do it in states. Call  
2060 \_ you are required to call before you dig so that you do not  
2061 injure or, in some cases, kill yourself when you are digging.

2062           \*Ms. Schrier. And we have those requirements even for

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2063 our own homes in Washington State.

2064 So I wanted to also just mention that I am sure that a  
2065 cut of this magnitude will also affect PHMSA's ability to  
2066 meet additional demands to regulate new types of pipelines.  
2067 My colleague was just talking about pipelines in Norway,  
2068 which I also visited, that carry CO2 from one of the most  
2069 polluting industries, cement manufacturing, and get them so  
2070 deep into the bedrock under the ocean that they can be  
2071 considered captured.

2072 So these new pipelines can carry more than just natural  
2073 gas, like carbon dioxide and hydrogen fuel. And I was  
2074 wondering if you could talk about how the staffing,  
2075 administrative processes, any additional needs that PHMSA  
2076 will need to fulfill as these new types of pipelines,  
2077 possibly with different safety requirements and needs for  
2078 construction with that kind of pressure, will become more  
2079 prevalent. How will these cuts affect the ability to move  
2080 forward with those?

2081 \*Mr. Brown. That is a really important question. We  
2082 have had decades of time working with and working through  
2083 challenges related to responding to an oil and gas incident.

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2084 But our first responders \_ you know, a handful \_ have  
2085 experienced a carbon dioxide incident and responding to that.  
2086 And in fact, we know from Satartia, and I know from talking  
2087 to the fire chief down there, that they didn't know what they  
2088 were encountering or how to respond to it.

2089 And so we are \_ have requirements related to emergency  
2090 preparedness, to review emergency response plans, and we have  
2091 to help develop and support our first responders, you know,  
2092 the heroes that are running towards the fire and running  
2093 towards the disasters and emergencies, to make sure they are  
2094 prepared.

2095 And then we have got to make sure we do everything to  
2096 prevent the incidents from occurring in the first place. And  
2097 for that we are going to need to build out a bigger team to  
2098 accommodate the upwards of potentially \$100 billion in both  
2099 hydrogen and carbon dioxide infrastructure for which we have  
2100 some experience over the decades. But we \_ if there is a big  
2101 build-out, we want to make sure we have the world leader in  
2102 those technologies.

2103 \*Ms. Schrier. It sounds like we need \_ may need more  
2104 funding, not less.



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2105           \*Mr. Brown. Yes, ma'am.

2106           \*Ms. Schrier. Thank you, I yield back.

2107           \*Mr. Weber. The gentlelady yields back, and I apologize  
2108 for not getting your name right. There was no R. I looked  
2109 for the R. It are not there in your name.

2110           [Laughter.]

2111           \*Mr. Weber. So anyway, I can get there. The chair  
2112 recognizes the gentlelady from Arizona.

2113           \*Mrs. Lesko. Thank you, Mr. Brown. Mr. Brown, as has  
2114 been discussed briefly, the Pipeline Hazardous Materials and  
2115 Safety Administration is required by law since 2020 to hold a  
2116 gas pipeline advisory committee meeting on the class location  
2117 rule.

2118           My first question is have you been directed by the Biden  
2119 Administration to delay or not to convene the advisory  
2120 committee?

2121           \*Mr. Brown. No, ma'am.

2122           \*Mrs. Lesko. My next question is why haven't you  
2123 convened the advisory committee to address class location?

2124           \*Mr. Brown. Really, to \_ because we are triaging the  
2125 numerous mandates from the 2020 PIPES Act. But we did

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2126 schedule a meeting, and that meeting went five full days \_  
2127 actually, more than five full days, because we went past each  
2128 day. So we have rescheduled that for \_ we have continued  
2129 that work into March, and it is scheduled for March.

2130 \*Mrs. Lesko. Thank you. Would the agency also concur  
2131 that completion of the rule would benefit the environment, as  
2132 it would eliminate up to 800 million cubic feet of natural  
2133 gas releases annually due to a class change pipe  
2134 replacements?

2135 \*Mr. Brown. I believe the proposal has identified those  
2136 benefits. We will \_ I can't speak out of turn before the  
2137 committee reviews that rule and before we draft the final  
2138 version of it, but there are benefits identified in the  
2139 proposal.

2140 \*Mrs. Lesko. Thank you. What assurances can you  
2141 provide the committee that PHMSA is prioritizing completion  
2142 of this rule?

2143 \*Mr. Brown. Well, we scheduled the meeting along with  
2144 another priority rulemaking. So I think that gives  
2145 indication. But Congress directed us to do it, so we are  
2146 doing it.

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2147            \*Mrs. Lesko. Thank you, Mr. Brown.

2148            Earlier this year I introduced a bill entitled, "Hands  
2149 Off Our Home Appliances Act.'" My bill would prevent the  
2150 Biden Administration from enacting harmful regulations on a  
2151 variety of gas appliances. These regulations would raise  
2152 costs for Americans and stifle their access to the energy  
2153 that best fits their needs.

2154            In May of this year PHMSA announced a new leak detection  
2155 and repair rulemaking which will impose additional burdensome  
2156 regulations on the natural gas industry. How can you ensure  
2157 that this round of regulations isn't an attempt to limit  
2158 Americans' access to natural gas?

2159            \*Mr. Brown. Well, there was actually a lot of consensus  
2160 around the provisions in this proposed rule from industry and  
2161 environmental stakeholders, safety stakeholders in our  
2162 initial public meeting. So I think there is some \_ there is  
2163 definitely some debate on some provisions in this rule, and  
2164 so we will continue that debate.

2165            But I hope that provides some assurance that this was a  
2166 directive from legislation signed into law by President Trump  
2167 that we are carrying out, there is a lot of consensus around

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2168 the rule, and then there is questions about provisions. But  
2169 that is part of the rulemaking process. We welcome your  
2170 feedback. I have certainly heard the feedback today that  
2171 there is a lot of interest, both sides of the aisle, in this  
2172 rulemaking. And so we will try to develop the rule that  
2173 comports with Congress's directive in mitigating safety,  
2174 environmental risk, which I believe everybody in the room is  
2175 focused on.

2176 \*Mrs. Lesko. Well, thank you, and I hope that \_ there  
2177 is some consensus you said, but obviously there is, in other  
2178 areas, not consensus. And I hope you \_ your administration  
2179 and your department does not target natural gas as I believe  
2180 the current administration is doing.

2181 And I will yield back.

2182 \*Mr. Weber. The gentlelady yields back. The chair  
2183 recognizes the gentleman from Texas, Mr. Veasey.

2184 \*Mr. Veasey. Mr. Chairman, thank you very much. And  
2185 with over three million miles of oil and gas pipelines  
2186 stretching across the country, we have to make sure that  
2187 PHMSA is obviously adequately resourced. And we know that  
2188 your authority lapsed last September and this January, and we

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2189 are just now having a hearing.

2190 And I understand that pipelines are currently the safest  
2191 and most economical means of delivering energy and other  
2192 hazardous materials. And as a matter of fact, I was very  
2193 happy to help lead the inclusion of the SCALE Act in the  
2194 Infrastructure Investments and Jobs Act last Congress.

2195 The bill established programs within DOE to develop  
2196 infrastructure for carbon dioxide capture, transport,  
2197 utilization, and storage, but we can never forget the safety  
2198 of these systems, as well. Today we are here to talk about  
2199 reauthorizing PHMSA, whose sole mission is safety. And  
2200 indeed, Congress created PHMSA and immediately dedicated it  
2201 to the assignment and maintenance of safety as the highest  
2202 priority, just as we do anything else. And we have to  
2203 prioritize further increases in these safety systems because,  
2204 as we saw in my hometown of Fort Worth, we just had an  
2205 explosion at the Sandman Hotel in downtown, where 21 people  
2206 were injured, and 1 critically.

2207 And so I wanted to ask you. In September PHMSA proposed  
2208 a rule to require operators of gas distribution pipelines to  
2209 update their distribution integrity management programs,

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2210 energy response plans, operations and maintenance manuals,  
2211 and other safety practices. These proposals attempt to  
2212 implement provisions of the last pipeline reauthorization  
2213 from 2020. Can you provide an update on PHMSA gas  
2214 distribution rulemaking?

2215       \*Mr. Brown. Yes, we are racing to get that one done.  
2216 We hope to \_ you know, there has been a lot of questions  
2217 about holding our committee meetings. We hope to get that  
2218 one on the next meeting after our upcoming meeting so that we  
2219 can finalize it as soon as possible.

2220       \*Mr. Veasey. Yes. And I want to ask you, in your  
2221 opinion, will rulemaking like this help prevent incidents  
2222 like we saw at the Sandman Hotel? Because that was a  
2223 terrible blast. Quite frankly, we are lucky that the  
2224 injuries weren't more serious. But it is not anything that  
2225 we should take for granted.

2226       \*Mr. Brown. Yes, and we are \_ we have been a part of  
2227 that investigation at the hotel there. So far it appears it  
2228 did not result as part of the jurisdiction that we regulate.

2229       But to your point, our rule aims to address incidents  
2230 like that, and we will find out what the root cause was and

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2231 be able to make a final determination.

2232 \*Mr. Veasey. Why do you think it has taken so long to  
2233 implement congressional mandates from 2020?

2234 \*Mr. Brown. You know, really, personnel. You know, we  
2235 can only do \_ this is a reoccurring challenge that \_ in this  
2236 committee as I went to look at the testimony from 2019.

2237 When we have dozens of mandates, we can only do as much  
2238 as our \_ you know, the amount of personnel we have working on  
2239 them. And we are very lean. So what you get in is a little  
2240 bit about what you get out in the time that you give us.

2241 \*Mr. Veasey. Yes. You know, it is interesting \_ going  
2242 back to the Sandman Hotel \_ because my wife and I had just  
2243 eaten at the restaurant there a couple of weeks prior.

2244 \*Mr. Brown. Wow.

2245 \*Mr. Veasey. It was the bottom floor of the restaurant  
2246 \_ the bottom floor of the hotel. And then, obviously, the  
2247 hotel is there. It is a very historic building, as well.  
2248 And I think that people have a reasonable expectation that  
2249 these sort of structures are safe, and that they won't  
2250 explode.

2251 What else do you think that we need to do in Congress to

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2252 make sure that nothing like that \_ what just happened in Fort  
2253 Worth never happens again in any of our major cities across  
2254 our state, or the country for that matter?

2255 \*Mr. Brown. Yes, I think it really helps to \_ for  
2256 people to understand that we are \_ you know, my \_ most of my  
2257 testimony is about how much we are charged with doing \_ with  
2258 a very bare-bones staff, and so the better understanding that  
2259 these can \_ these incidents can occur if you don't have  
2260 proper oversight.

2261 There is a lot of discussion about how safe pipelines  
2262 are. All I hear about are how safe \_ how unsafe they are,  
2263 because I get the calls in the middle of the night when  
2264 tragedies happen, and that is the job. And so, while we are  
2265 proud of having the safest system in the world, it is not  
2266 safe if you are at a restaurant and it explodes, right? It  
2267 is not safe if there is a pipeline in your backyard that  
2268 explodes, and you are a victim of that.

2269 So, you know, those do happen. We are working towards  
2270 zero incidents, and we are far from it. And I think we need,  
2271 obviously, the directives from you all and the resources from  
2272 you all to get to zero incidents and to acknowledge that we



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2273 are far from zero.

2274 \*Mr. Veasey. Yes, absolutely.

2275 And I know that NTSB has been on site, and I want to  
2276 know \_ do we have your commitment to work together to  
2277 implement sound pipeline safety recommendations that the  
2278 Board may put forward so nothing like this will happen again?

2279 \*Mr. Brown. One hundred percent. We work hand in hand  
2280 with the NTSB, and we are grateful for their leadership.

2281 \*Mr. Veasey. Thank you.

2282 Thank you, Mr. Chairman.

2283 \*Mr. Brown. Thank you, Congressman.

2284 \*Mr. Weber. I thank the gentleman from Texas for  
2285 yielding back. The chair recognizes himself for five  
2286 minutes.

2287 Thank you, Mr. Brown, for being here. I want to go  
2288 through a couple of things, actually. According to PHMSA, I  
2289 think Texas has about \_ let me get the exact amount up \_ it  
2290 is about \_ it is over 400 \_ almost 500,000 miles of pipeline.  
2291 The country has, I think, like, 2.5 million. So we are over  
2292 one-fourth of the pipelines in the country. And of course,  
2293 as you know, we are regulated by the Texas Railroad

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2294 Commission.

2295           And after Winter Storm Uri \_ I want to get this on the  
2296 record \_ some people were calling me and telling me that  
2297 ERCOT dropped the ball, and that we should be regulated by a  
2298 Federal agency, and I said, "Not on your life," because that  
2299 was the perfect storm. There were already too many  
2300 regulators, too many irons in that fire, and so we don't \_ in  
2301 Texas we don't take kindly to the fact that somehow the  
2302 Federal Government needs to regulate what we do to take care  
2303 of our own citizens. So that is my aside there for just a  
2304 minute.

2305           But anyway, thank you for being here, and thank you for  
2306 committing, by the way, to Representative Lizzie Fletcher, my  
2307 colleague. The chair, I think, kind of alluded that she had  
2308 a lot of pipelines in her system. I think, actually, she has  
2309 most of the offices and the buildings and the companies. I  
2310 am the Gulf Coast of Texas, where we have a whole lot of  
2311 pipelines and in that district. So we are glad that you  
2312 committed you will hold GPAC meetings this year on the class  
2313 location rule. We appreciate that commitment.

2314           And I am just curious, how come none was held last year,

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2315 the past year?

2316 \*Mr. Brown. Really, to try \_ for efficiency's sake.

2317 These are multi-day meetings, and when we convene and we know

2318 we have got to get all these folks in place, and it takes

2319 months to schedule the meeting, we are trying to do as much

2320 work as we can in one meeting, rather than trying to schedule

2321 multiple meetings. That is really, you know \_

2322 \*Mr. Weber. Well, you know, you can do that if you will

2323 make it a destination meeting. We would come down to

2324 Galveston and spend lots of money. That is what we would

2325 like to see you do.

2326 \*Mr. Brown. Can we take that as a directive \_

2327 \*Mr. Weber. Absolutely.

2328 \*Mr. Brown. \_ Mr. Chairman?

2329 \*Mr. Weber. As long as you are spending lots of money,

2330 come to Texas.

2331 Well, yes or no, do you agree that the \_ on the class

2332 location rule, that this rule would improve safety and

2333 prevent disruptions to communities by utilizing modern safety

2334 practices? Yes or no.

2335 \*Mr. Brown. I unfortunately just can't get ahead of the

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2336 rule until we have the committee meeting and finalized. But  
2337 I can acknowledge that it is \_ those benefits are identified  
2338 in the proposal.

2339 \*Mr. Weber. But you have some gut feeling about it.  
2340 Maybe it could. Yes or no \_

2341 \*Mr. Brown. We have identified those benefits in the  
2342 proposal. So we \_

2343 \*Mr. Weber. So you are saying yes.

2344 \*Mr. Brown. I am saying we have said yes previously.

2345 \*Mr. Weber. No pressure, but we are going to make your  
2346 stay in Galveston more expensive if you don't fess up.

2347 \*Mr. Brown. Just following the rules of rulemakings and  
2348 ex parte rules.

2349 \*Mr. Weber. All good. Do you agree that the completion  
2350 of this rule would also benefit the environment, eliminating  
2351 up to 800 million cubic feet of natural gas that is released  
2352 annually due to class change pipe replacements?

2353 \*Mr. Brown. I can't speak to the specific numbers, but  
2354 I can acknowledge that if we keep product from being emitted,  
2355 that is a good environmental benefit, and this rule has  
2356 identified that as a potential benefit.

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2357           \*Mr. Weber. Is there someone in your organization that  
2358 keeps up \_ because I served four years in the Texas House of  
2359 Representatives, and I was on the environmental reg committee  
2360 my first term. There was a lot of gas releases back in the  
2361 day. Is there somebody in your organization that actually  
2362 keeps up with us improving on that?

2363           \*Mr. Brown. With our new proposed rule we will be  
2364 keeping up on it. We only require reporting for three  
2365 million cubic \_ emissions of three million cubic feet. That  
2366 is a pretty high threshold, so \_

2367           \*Mr. Weber. Right.

2368           \*Mr. Brown. But we get references from all kinds of  
2369 individuals, especially reporters, saying, "Hey, did you  
2370 hear, did you see this? We just \_ we are tracking this large  
2371 emission.'" Then we go investigate that.

2372           So right now it is a bit of an ad hoc approach until we  
2373 get new standards in place.

2374           \*Mr. Weber. Well, I also want to jump over \_ we have  
2375 concerns about the gas transmission safety rule that governs  
2376 testing and record-keeping of certain pipelines. And I have  
2377 already said Texas has about a fourth of those in the

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2378 country. And of course, the Keystone pipeline would have  
2379 come into my district.

2380 The rule, the transmission safety rule, would require  
2381 operators to needlessly retest roughly 50,000 miles of older,  
2382 previously-tested pipelines that are deemed safe, but for  
2383 whatever reason they don't have records going back to \_ or  
2384 before \_ post, I should say, post-1970 records. Is that  
2385 going to be a problem?

2386 \*Mr. Brown. Well, and you identified the problem, and I  
2387 think we do not want needless testing. We want productive  
2388 work being done to maintain the system. We are setting up a  
2389 committee to try to get some \_ a consensus approach on that.

2390 \*Mr. Weber. Have you ever toured a facility where they  
2391 are operated primarily by computer, and a lot of stuff \_ what  
2392 facility have you toured?

2393 \*Mr. Brown. Actually in Texas, Enterprise.

2394 \*Mr. Weber. A good facility.

2395 \*Mr. Brown. I would say a dozen or more facilities,  
2396 yes.

2397 \*Mr. Weber. Yes, good to hear. Well, my time has  
2398 expired, so I guess I will end it here. And I guess it is

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2399 time \_ thank you for being here.

2400 Did Ms. Castor show up? Ms. Castor, she does have an R  
2401 in her name, so I recognize the gentlelady, Ms. Castor.

2402 \*Ms. Castor. Well, thank you, Mr. Chairman.

2403 Deputy Administrator Brown, thank you very much for  
2404 being here today. The mission of the Pipeline and Hazardous  
2405 Materials Safety Administration is very important. You  
2406 protect our neighbors back home and our communities. Your  
2407 agency has a critical mission on health, safety, and  
2408 environmental well-being, including regulation of the  
2409 expansive network of about 3.4 million miles of natural gas  
2410 pipeline systems across the United States.

2411 I understand this is an immensely challenging job for a  
2412 historically underfunded agency, given the inherent dangers  
2413 of sending gas, a highly flammable and toxic substance,  
2414 through aging pipelines into our homes and businesses. Since  
2415 2010 there have been over 3,000 significant gas leak  
2416 accidents, 390 of which resulted in explosion. These gas  
2417 pipeline explosions have injured 725 people and killed 163  
2418 people.

2419 But your agency also plays a very important role in

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2420 protecting the environmental well-being, and considering the  
2421 environmental impacts of gas pipelines and \_ because the gas  
2422 pipelines leak methane pollution into the atmosphere, and  
2423 that increases the cost and the impacts of the climate  
2424 crisis, which are really weighing down our neighbors back  
2425 home, as well.

2426         So in addition to the cost of the climate crisis,  
2427 methane pollution can degrade local indoor and outdoor air  
2428 quality, and it poses a severe threat to the public health.  
2429 So notably, in the PIPES Act of 2020, Congress made clear the  
2430 intent for your agency to consider the environmental and  
2431 climate costs and impacts, and incorporate \_ we said  
2432 incorporate those considerations into the agency's cost  
2433 benefit analysis for safety standards.

2434         So can you outline how your agency evaluates the  
2435 environmental costs \_ impacts in its decision-making?

2436         And how would the majority's draft bill before us today  
2437 impact your ability to consider those costs and benefits and  
2438 safety standards?

2439         \*Mr. Brown. Yes. Well, thank you so much for the  
2440 question. And just to reiterate, we were directed to include



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2441 the environmental benefits in our rulemakings in the 2020  
2442 PIPES Act, and so we followed that. And it sounds like there  
2443 is some concern that we followed the directive from Congress,  
2444 but obviously we don't get to choose what directives we get  
2445 to follow from Congress. We have to follow them all.

2446 So how we go about doing it, there has been an  
2447 interagency process to estimate the social cost of methane,  
2448 for example. You know, certainly, when we have incidents  
2449 that impact people or the environment, we use the examples  
2450 that have occurred in the past. We are somewhat restricted  
2451 to the data that we have available, or estimates of  
2452 environmental impacts. And so it can be quite challenging.

2453 We hired for the first time an environmental economist  
2454 who is an expert in that, again, to carry out the directives  
2455 that you gave us. And I know there is concern that we are  
2456 moving \_ you know, we hired one environmental economist.  
2457 That is not a major shift in our, you know, 600-person  
2458 agency, but it is a shift to adhere to the congressional  
2459 directive of trying to estimate the benefits and the cost.  
2460 It is not a science, but we really do get a lot of input when  
2461 we propose our estimated cost from the public. And that

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2462 helps \_

2463 \*Ms. Castor. And then, in addition to the environmental  
2464 costs and benefits of what you are doing, do you also  
2465 consider the environmental health of our communities when you  
2466 are doing \_ when you are updating standards?

2467 \*Mr. Brown. Absolutely.

2468 \*Ms. Castor. And how do you do that?

2469 \*Mr. Brown. Well, from avoided incidents is a big part  
2470 of it when it comes to pipelines, but also from leaks. Or  
2471 certainly their safety and the environmental impacts when it  
2472 comes to public health can be inextricably linked. Maybe if  
2473 we are talking about CO2 emissions, you know, prolonged  
2474 exposure to a leak can \_ could cause a problem. Similar for  
2475 other refined products if there were, you know, volatile  
2476 organic compounds in the air, that sort of thing.

2477 \*Ms. Castor. Well, thank you very much. And I will  
2478 yield back my time, but first say that this agency has a very  
2479 important mission. They have been underfunded, and I really  
2480 hope that the committee will ensure that they have the staff  
2481 and resources that they need. Right now they are facing an  
2482 18 percent budget cut, and I think that puts our communities

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2483 and our neighbors at risk, and not should be \_ and should not  
2484 be adopted.

2485 Thank you very much.

2486 \*Mr. Brown. Thank you.

2487 \*Mr. Pfluger. [Presiding] The gentlelady yields, the  
2488 chair now recognizes the gentleman from Indiana, Mr. Pence.

2489 \*Mr. Pence. Thank you, Chairman Duncan and Ranking  
2490 Member DeGette, for holding this hearing. And thank you to  
2491 our witness today for being here.

2492 Having spent my career distributing petroleum products  
2493 across the country, I am keenly aware of how safe, reliable,  
2494 and affordable pipelines are for our nation, having also been  
2495 a petroleum trucker all my life, as well.

2496 I have often said in this committee that fossil fuels  
2497 are the lifeblood of our economy, fueling the transportation  
2498 industry, keeping the lights on, heating homes, and cooking  
2499 meals, and our irreplaceable resource for the manufacturing  
2500 that is so important to the Indiana 6th district. As we look  
2501 into the future of our energy outlook \_ what our energy  
2502 outlook will be, our nation will need more pipelines, not  
2503 less, particularly as technology moves to different types of

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2504 fuels.

2505           As a Federal safety regulator of pipelines across our  
2506 country, PHMSA should act as a contributing partner to the  
2507 energy industry as they build out the necessary  
2508 infrastructure to meet the demands of tomorrow.  
2509 Unfortunately, the Biden Administration has continued down an  
2510 anti-fossil-fuel path that is putting our nation's energy  
2511 industry on the brink of failure, and stunting the growth of  
2512 key energy innovations.

2513           Deputy Administrator Brown, in Indiana's 6th district  
2514 and across the state, Hoosiers are leading the world in next-  
2515 generation hydrogen applications: the hydrogen hub up by  
2516 Gary, Indiana, Whiting Refinery. As R&D continues to  
2517 advance, it is important that the Federal Government avoid  
2518 over-regulating technologies that we are still learning  
2519 about. However, this leak detection rule puts the cart  
2520 before the horse and regulates an industry that is not yet  
2521 ready for widespread commercialization. It is important for  
2522 your agency to carefully consider the experts involved in  
2523 this industry on how to allow continued innovation to foster  
2524 this new technology.

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2525           Here is my question. Has your agency collaborated with  
2526 your Gas Pipeline Advisory Committee to develop industry-led  
2527 standards for pure hydrogen or hydrogen-blend pipelines?

2528           \*Mr. Brown. We do contribute to, you know, voluntary  
2529 standard discussions. We don't want to direct voluntary  
2530 standards of industry. That is industry's role. So \_ but we  
2531 do collaborate. And I think \_ on this rule I think we have  
2532 got some good input, and actually held multiple public forums  
2533 with industry's input on how to invest our research dollars  
2534 to address hydrogen risks and opportunities, as well as to  
2535 detect leaks to make sure they are safe and can move the  
2536 product of the future.

2537           \*Mr. Pence. Well, sure. But we have to have new  
2538 pipelines to move hydrogen. Do you agree with that?

2539           \*Mr. Brown. That \_ we anticipate that that is the case,  
2540 yes.

2541           \*Mr. Pence. And do you like hydrogen as an alternative  
2542 over other carbon-based liquids?

2543           \*Mr. Brown. Our agency is neutral. We just want to try  
2544 to anticipate what the market is going to do, and then be  
2545 ready for it from a \_ mitigating safety and environmental

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2546 risks.

2547           \*Mr. Pence. So I would just kind of encourage you that,  
2548 you know, anticipating where we are going, if the refiners,  
2549 the oil companies, if they would like to move to a cleaner  
2550 fuel like hydrogen \_ and a lot of \_ I have Cummins Engine  
2551 Company in my hometown, they would like to move to that for  
2552 heavy-duty on-road and off-road, as well \_ then we have to  
2553 think ahead on upgrading existing or putting in new pipelines  
2554 to move that product.

2555           \*Mr. Brown. I completely agree. And we actually are  
2556 working with just about every sector of the economy on  
2557 anticipating a hydrogen build-out. There is \$100 billion in  
2558 the two \_ Bipartisan Infrastructure Law and Inflation  
2559 Reduction Act to develop the hydrogen economy.

2560           \*Mr. Pence. Okay. Thank you for your time today.

2561           \*Mr. Brown. Thank you.

2562           \*Mr. Pfluger. The gentleman yields back. The chair now  
2563 recognizes myself for five minutes of questioning.

2564           Mr. Brown, thank you for being here. Last year PHMSA  
2565 proposed a rule to reduce methane emissions from pipelines by  
2566 altering standards for leak detection programs, mandatory

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2567 repair timelines, survey and patrol requirements, and more.  
2568 I am concerned \_ and by the way, you will find consistent \_  
2569 on both sides of the aisle here \_ willingness and desire to  
2570 reduce methane emissions. But I am concerned that PHMSA's  
2571 proposed rule goes well beyond congressional mandate included  
2572 in the PIPES Act of 2020.

2573           And additionally, I am concerned that the rule's  
2574 preamble is misleading and incorrectly uses data methodology  
2575 to assert that current emissions are under-estimated. It is  
2576 very important that PHMSA use complete data.

2577           In section 113 of the PIPES Act, Congress made it clear  
2578 that not all leaks were hazardous, and therefore not all  
2579 leaks needed repair. However, PHMSA's definitions contain  
2580 the proposed rule expand regulatory authority that will  
2581 require operators to detect and repair all leaks, regardless  
2582 of the threat posed. And not only is this a direct violation  
2583 of our congressional intent, but I also worry that it will  
2584 force operators to deprioritize the actual real safety issues  
2585 that you guys are charged with.

2586           The Supreme Court has upheld this, West Virginia versus  
2587 the EPA. We are going through it right now in the Chevron

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2588 deference case. And so this is the check on the executive  
2589 branch. I want to know from you how will subsequent  
2590 rulemakings related to the PIPES Act be updated to align with  
2591 congressional intent?

2592 \*Mr. Brown. Well, and this may help clear things up,  
2593 two items that may help clear things up.

2594 One, we are at the midpoint of considering that rule,  
2595 and we are getting the feedback such as you just described  
2596 from our advisory committee.

2597 The other thing is, when the 2020 PIPES Act was enacted,  
2598 we didn't regulate gas-gathering lines. We had been told by  
2599 Congress, "Hey, you might look at these, these have been  
2600 unregulated.'" We had hundreds of thousands of miles of  
2601 completely unregulated lines at the Federal level. And in  
2602 2021, after a directive to start regulating them, we started  
2603 regulating \_

2604 \*Mr. Pfluger. Who was the directive from in 2021?

2605 \*Mr. Brown. Congress.

2606 \*Mr. Pfluger. And can you tell me why PHMSA \_ is that  
2607 why PHMSA is requiring operators to detect and repair the  
2608 leaks?



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2609 \*Mr. Brown. Yes.

2610 \*Mr. Pfluger. Okay.

2611 \*Mr. Brown. To meet the congressional mandates,  
2612 correct.

2613 \*Mr. Pfluger. When you look at \_ you know, I think that  
2614 you would agree that operators should focus on repairs that  
2615 will have a safety impact. Is that true?

2616 \*Mr. Brown. Safety and environmental impacts, yes.

2617 \*Mr. Pfluger. Section 113 of the Act requires operators  
2618 of regulated, non-rural gas-gathering lines, new and existing  
2619 gas transmission facilities, and new and existing  
2620 distribution pipeline facilities to conduct leak detection  
2621 and repair programs that meet the need for gas pipeline  
2622 safety.

2623 And in the requirements for leak detection and repair  
2624 programs, I think we were pretty explicitly clear that the  
2625 mandate says that leak detection programs should focus on the  
2626 ability to identify and locate and categorize all leaks as  
2627 either hazardous, as a potential to become explosive, and  
2628 then otherwise hazardous.

2629 So can you talk to me about the proposed rule, as you

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2630 are now gathering information like you just testified?

2631 And will the proposed rule include the ability for the  
2632 producers, for the transmission lines, for the operators to  
2633 do their job and have the ability to prioritize?

2634 \*Mr. Brown. Yes, we direct producers and operators to  
2635 classify the type of leak. So if it is an immediate safety  
2636 risk like a potential explosion at any moment, then you have  
2637 got to do that ASAP, you know hours. If it is a \_ you know,  
2638 it could be a potential safety risk in the near future, all  
2639 right, we give you an allotted amount of time, weeks. If it  
2640 is beyond that, then you have more time to address the leak.

2641 So we do do precisely what you described.

2642 \*Mr. Pfluger. Talk to me about the evolution of the  
2643 rules since it was first proposed and where you are now, and  
2644 the dialing up or the aggressiveness of PHMSA as a repair  
2645 agency versus a safety agency.

2646 \*Mr. Brown. So we haven't changed the mission beyond  
2647 what Congress in the 2020 PIPES Act told us to do. So I  
2648 think that is the part that I think there seems to be  
2649 confusion about. You know, when we are told to minimize  
2650 methane emissions, we can't ignore that directive. And so

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2651 while we talk about that having climate benefits, I thought  
2652 everybody in the room was under the impression that  
2653 minimizing methane emissions does have climate benefits.

2654 But the evolution is simply that when we had it out for  
2655 public comment, we extended the public comment period to make  
2656 sure we got everybody's comments. I believe we got tens of  
2657 thousands, 50,000 comments. Then we had to go through each  
2658 one of those and identify the substantive comments, and work  
2659 through that to then provide it to the statutory committee,  
2660 which we are halfway through, for their review of the section  
2661 by section of that rule.

2662 So there is still much more process to go to address  
2663 some of the issues or potential concerns that you identified.  
2664 And ultimately, you know, we have got to have a rule that is  
2665 within line with what we have been directed to do.

2666 \*Mr. Pfluger. My time is expired. Have you visited the  
2667 Permian Basin?

2668 \*Mr. Brown. No, and I would be glad to go. My family  
2669 is from Texas. More on the east side, but \_

2670 \*Mr. Pfluger. Thank you very much.

2671 \*Mr. Brown. Yes, thank you.

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2672           \*Mr. Pfluger. Mr. Brown, thank you for your time.  
2673 Thank you for coming to testify in front of this committee.  
2674 This will conclude the first panel, and we will reset and  
2675 begin the second panel.

2676           \*Mr. Brown. Thank you, Mr. Chairman.

2677           [Pause.]

2678           \*Mr. Pfluger. Okay, thank you guys for being here. We  
2679 are now ready for our second panel.

2680           Our witnesses today are Mr. Andrew Black, president and  
2681 CEO of the Liquid Energy Pipeline Association; Mr. Dave  
2682 Schryver, president and CEO of the American Public Gas  
2683 Association; Mr. Bill Caram, executive director of the  
2684 Pipeline Safety Trust; and finally, Mr. Robin Roderick \_ or  
2685 excuse me, Rorick, the vice president for midstream policy  
2686 with the American Petroleum Institute.

2687           We thank you all for being here.

2688           I now recognize Mr. Black for your opening testimony,  
2689 and we will \_ we have your written testimony. Please limit  
2690 this to five minutes as a summary, and we will begin with Mr.  
2691 Black.

2692

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2693 STATEMENT OF ANDREW BLACK, PRESIDENT AND CEO, LIQUID ENERGY  
2694 PIPELINE ASSOCIATION (LEPA); DAVE SCHRYVER, PRESIDENT AND  
2695 CEO, AMERICAN PUBLIC GAS ASSOCIATION (APGA); BILL CARAM,  
2696 EXECUTIVE DIRECTOR, PIPELINE SAFETY TRUST; AND ROBIN RORICK,  
2697 VICE PRESIDENT OF MIDSTREAM POLICY, AMERICAN PETROLEUM  
2698 INSTITUTE (API)

2699

2700 STATEMENT OF ANDREW BLACK

2701

2702 \*Mr. Black. Thank you, Mr. Chair, Ranking Member.

2703 The Liquid Energy Pipeline Association represents  
2704 pipeline owners and operators delivering transportation fuels  
2705 like gasoline, diesel, and jet fuel; transportation  
2706 feedstocks like crude oil; home heating fuels like propane  
2707 and home heating oil; industrial feedstocks like ethane and  
2708 butane; and low-carbon solutions like renewable diesel,  
2709 liquefied petroleum gas, and carbon dioxide.

2710 This hearing provides the subcommittee an opportunity to  
2711 take stock of the pipeline industry, how pipelines are needed  
2712 to get Americans the energy they need, and how pipelines are  
2713 the safest and most environmentally protective way to move

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2714 energy.

2715           According to publicly available government data from  
2716 PHMSA, pipelines are the safest way to transport energy. A  
2717 PHMSA report prepared at the request of Congress compared  
2718 pipelines to other modes, trucks and trains, over a 10-year  
2719 period and found pipelines the safest mode. Administrations  
2720 of both parties have reached the same conclusion. Secretary  
2721 Hillary Clinton's State Department found a proposed major  
2722 pipeline to be the safest way to deliver energy. The Obama  
2723 Administration found that rejecting the project and shipping  
2724 the same energy by rail increased the risk of an oil release  
2725 by over 800 times and barrels released by 2.6 times.

2726           And not only are pipelines the safest way to deliver  
2727 energy, they are also getting safer. Over the last 5 years  
2728 the total liquid pipeline incidents are down 28 percent.  
2729 Incidents impacting people and the environment are down 16  
2730 percent.

2731           But we are not resting on improving pipeline safety.  
2732 The industry is working to reduce the number of incidents and  
2733 barrels released even further through industry-wide  
2734 initiatives around geohazards, corrosion, and leak detection.

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2735           As members of this subcommittee track the impact of  
2736 pipelines on greenhouse gas emissions, one factor to  
2737 recognize is pipelines delivering liquid products for the  
2738 most part use electric pumps, and thus are not a major direct  
2739 source of greenhouse gases or air emissions. That same Obama  
2740 Administration review found the major pipeline analyzed would  
2741 release 42 percent less greenhouse gas emissions than  
2742 transporting that same energy by rail. Rejecting that  
2743 pipeline, compared to doing nothing at all, would increase  
2744 greenhouse gas emissions by 1.2 million metric tons of CO2  
2745 equivalent per year, they said.

2746           This committee's approach to pipeline safety in the  
2747 discussion draft makes a lot of sense. Pipeline safety is  
2748 headed in the right direction with a mature set of  
2749 regulations. The data does not support harsh new mandates.

2750           LEPA supports the committee acting in targeted areas of  
2751 pipeline safety. Key PHMSA requirements for inspecting and  
2752 repairing pipelines are now over 20 years old. Pipeline  
2753 technologies and analytic methods on which they are based are  
2754 woefully out of date, replaced by new technologies and  
2755 analytic methods that PHMSA should reflect in its

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2756 regulations, but often does not.

2757 Congress, in the 2020 PIPES Act, authorized a program to  
2758 demonstrate cutting-edge pipeline safety technologies and  
2759 advanced analytics \_ you talked about it a lot this morning \_  
2760 the Pipeline Safety Enhancement Program. Thank you. The  
2761 hope is that data from these technology pilots would help  
2762 PHMSA modernize their regulations. But as you discussed,  
2763 PHMSA, in implementing the program, added administrative  
2764 hurdles and requirements beyond what Congress mandated. We  
2765 applaud the discussion draft's language to cut through  
2766 bureaucratic red tape and allow pipeline safety to benefit  
2767 from technology and innovation. We encourage you to go  
2768 further and prevent PHMSA from using the bureaucratic special  
2769 permit process to process applications. I am encouraged by  
2770 what I heard.

2771 The pipeline industry also supports updating regulatory  
2772 requirements for carbon dioxide pipelines. A major build-out  
2773 of CO2 pipelines is necessary to transport CO2 from where it  
2774 is captured to where it can be permanently stored out of  
2775 harm's way. Without a network of CO2 pipelines, our nation  
2776 will not meet low-carbon goals for reducing greenhouse gas



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2777 emissions. There are already dozens of Federal regulatory  
2778 requirements administered by PHMSA covering pipeline safety.  
2779 But we agree that in a handful of discrete areas PHMSA  
2780 requirements would benefit from updates reflecting the latest  
2781 approaches and learnings.

2782 We support the discussion draft's targeted approach as  
2783 the best way for PHMSA to issue new CO2 pipeline safety  
2784 requirements quickly. We encourage you to go further and  
2785 require operators of CO2 to conduct CO2-specific dispersion  
2786 modeling.

2787 We commend the discussion draft's language increasing  
2788 penalties for disrupting pipeline operations and for  
2789 promoting safety improvement through a voluntary information-  
2790 sharing program. We encourage you to go further and reform  
2791 the PHMSA special permit program and increase enforcement due  
2792 process as described in my written testimony.

2793 We applaud the discussion draft's vision to look  
2794 holistically at what is needed to help America benefit from  
2795 pipelines. The draft proposes creative new ideas on pipeline  
2796 permitting and consumer fuel choice. Pipeline projects which  
2797 qualify for permits should be able to receive them, and in a

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2798 timely manner. The language to streamline permitting for  
2799 pipeline construction and maintenance on routes collocated  
2800 within existing rights-of-way make all the sense of the  
2801 world, and the language also protects consumers and preserves  
2802 their freedom to choose the energy source for their home.

2803 Thank you for inviting me to testify.

2804 [The prepared statement of Mr. Black follows:]

2805

2806 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

2807

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2808           \*Mr. Pfluger. Thank you, Mr. Black. The chair now  
2809 recognizes Mr. Schryver for his opening statement of five  
2810 minutes.  
2811

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2812 STATEMENT OF DAVE SCHRYVER

2813

2814 \*Mr. Schryver. Good afternoon, Chairman Pfluger,  
2815 Ranking Member Schrier. Thank you for the opportunity to  
2816 testify before the committee today. I am honored to appear  
2817 today on behalf of the nearly 1,000 communities across the  
2818 U.S. that own and operate their retail natural gas  
2819 distribution entities.

2820 APGA's members include not-for-profit gas distribution  
2821 systems owned by cities and other local government entities,  
2822 all directly accountable to the citizens they serve. Public  
2823 gas systems focus on providing efficient, safe, reliable, and  
2824 affordable energy to their consumers, and support their  
2825 communities by delivering fuel to be used for cooking,  
2826 clothes drying, space and water heating, as well as for  
2827 various commercial and industrial applications including  
2828 electricity generation.

2829 Pipeline safety is a top priority of APGA's members.  
2830 Billions of dollars are invested each year in maintaining the  
2831 safe operation of gas pipelines through the replacement of  
2832 aging infrastructure and utilization of tools and

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2833 technologies specifically designed to identify and mitigate  
2834 threats to the system.

2835           Congress supported this effort. The Natural Gas  
2836 Distribution Infrastructure Safety and Modernization Grant  
2837 Program authorized by the Infrastructure Investment and Jobs  
2838 Act funds the repair, replacement, and rehabilitation of  
2839 existing pipeline infrastructure and the purchase of  
2840 equipment for leak detection. Program eligibility is limited  
2841 to city and community-owned utilities. The projects funded  
2842 through the program are enhancing safety, reducing methane  
2843 emissions, and improving the lives of customers and the  
2844 community.

2845           Public gas systems deliver affordable energy safely to  
2846 Americans. Our members have no obligation to deliver a  
2847 profit to shareholders. Instead, local officials are  
2848 responsible for setting rates with the goal of delivering  
2849 energy to their community as safely and affordably as  
2850 possible. That mission has become even more vital as  
2851 Americans are struggling with the burden of inflation.

2852           Data from the Energy Information Administration  
2853 continues to show that natural gas remains the most

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2854 affordable energy source to heat your home in the winter, and  
2855 this is not simply because of the low price of gas as a  
2856 commodity. Homes fueled by natural gas also have the  
2857 advantage of consuming less energy than electric homes when  
2858 you consider the full fuel cycle from source to site.

2859       To deliver electricity to homes and businesses, almost  
2860 two-thirds of that energy involved is used or lost before it  
2861 ever reaches the point of end use. By contrast, when natural  
2862 gas is being burned at the direct \_ as the direct source of  
2863 energy, less than 10 percent is lost between the point of  
2864 production and the building, making direct use of natural gas  
2865 almost three times more efficient: two-thirds lost versus 10  
2866 percent.

2867       The efficiency advantages of natural gas are clear and  
2868 indisputable. In fact, it is estimated that the average home  
2869 that uses natural gas appliances for heating, cooking, and  
2870 clothes drying saves over \$1,000 a year on energy bills  
2871 compared to homes using electric appliances for those  
2872 purposes.

2873       Natural gas is not only more affordable than  
2874 electricity, but also more reliable. Only 1 in 800 natural

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2875 gas customers experienced an unplanned outage in a given  
2876 year. In comparison, each of the 140 million electric  
2877 customers in the U.S. experienced at least one outage a year,  
2878 on average.

2879       Even though we know natural gas is the most affordable  
2880 and reliable way to fuel a home, public gas systems are still  
2881 facing significant challenges. Some of our members have wait  
2882 lists for would be customers who want to receive gas service,  
2883 but they are unable to do so due to supply as a result of  
2884 limited pipeline capacity. This is a direct result of how  
2885 difficult it has become to permit new natural gas  
2886 infrastructure.

2887       Other public gas systems are confronting challenges from  
2888 those who want to ban new natural gas hookups. These bans  
2889 are being proposed in spite of the fact that carbon dioxide  
2890 emissions from residences using natural gas for space  
2891 heating, water heating, cooking, and clothes drying are about  
2892 22 percent lower than carbon dioxide emissions attributable  
2893 to an all-electric home. And not only does this take away  
2894 consumers' right to choose the energy source that fuels their  
2895 home, if successful these efforts will lead to higher energy

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2896 costs for American families while producing little  
2897 environmental benefit.

2898         We urge Congress not to discount the role that natural  
2899 gas can play in America's clean energy future. Natural gas  
2900 has been delivering emission reductions in the energy sector  
2901 for decades. With the development of the renewable natural  
2902 gas industry and the potential for hydrogen, the gas industry  
2903 can continue to deliver clean energy for American families in  
2904 the future, utilizing our existing infrastructure and skilled  
2905 workforce.

2906         Again, I thank the committee for the opportunity to  
2907 testify, and I look forward to answering any questions.

2908         [The prepared statement of Mr. Schryver follows:]

2909

2910         \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

2911



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2912           \*Mr. Pfluger. Thank you, Mr. Schryver. The chair now  
2913 recognizes Mr. Caram for his opening statement of five  
2914 minutes.  
2915

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2916 STATEMENT OF BILL CARAM

2917

2918 \*Mr. Caram. Thank you, Chair, Ranking Member, and  
2919 members of the subcommittee for inviting me to speak today.

2920 My organization, the Pipeline Safety Trust, was formed  
2921 after the devastating Olympic pipeline tragedy that stole the  
2922 lives of three boys in Bellingham, Washington in 1999 that  
2923 the chairwoman spoke about earlier. The U.S. Justice  
2924 Department was so appalled at the operations of the pipeline  
2925 company and the lax oversight from the Federal Government  
2926 that they asked the courts to set aside money from the  
2927 settlement to create the Pipeline Safety Trust as an  
2928 independent national watchdog over the pipeline industry and  
2929 its regulators.

2930 Everyone here shares the goal of zero incidents.  
2931 However, pipeline failures continue unabated and our goal  
2932 remains far out of reach. Since the last pipeline safety  
2933 legislation was passed in December of 2020, just over 3 years  
2934 ago, our nation's pipelines have failed more than once per  
2935 day, killing or hospitalizing someone every 9 days, on  
2936 average. These nearly 1,500 failures have also caused more

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2937 than \$1.3 billion in property damage.

2938           Included in these statistics is a devastating UGI  
2939 pipeline failure in March of 2023 and a chocolate factory in  
2940 Reading, Pennsylvania that killed 7 people and sent another  
2941 11 to the hospital, caused by a fitting with known safety  
2942 failures.

2943           Another pipeline likely failed in the Gulf of Mexico in  
2944 November of 2023, spilling an estimated 1 million gallons of  
2945 crude oil into the Gulf. And just last month BP's Olympic  
2946 pipeline, whose tragic failure 25 years ago led to the  
2947 founding of my organization, failed again, spilling more than  
2948 20,000 gallons of gasoline into a creek just 500 feet from an  
2949 elementary school.

2950           These are just three examples from failures from 2023.  
2951 And remember, there have been nearly 1,500 since the PIPES  
2952 Act of 2020 passed. I am sad to say that, when looking at  
2953 the data, we haven't made much progress on pipeline safety.  
2954 We can, of course, opportunistically pick out time periods to  
2955 show trends going up or down. However, going back to 2010 \_  
2956 an objective starting point, since that is when PHMSA changed  
2957 some of its criteria \_ incident trends on all categories of

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2958 pipelines are statistically flat. We are not making  
2959 progress.

2960 To make meaningful progress on pipeline safety, Congress  
2961 needs to remove the statutory handcuffs it has placed on  
2962 PHMSA. It is the only agency with a statutory cost benefit  
2963 requirement, an especially difficult hurdle to clear for  
2964 infrastructure with low probabilities of failure yet  
2965 devastating consequences.

2966 PHMSA is also prohibited from statute from adopting  
2967 certain standards that would apply to the existing 3.4  
2968 million miles of aging pipelines. Because of this, PHMSA has  
2969 been unable to require rupture mitigation valves in high  
2970 consequence areas, an NTSB recommendation after PG&E's  
2971 pipeline tragedy in San Bruno, California in 2010. And of  
2972 course, it is the aging infrastructure of existing pipelines  
2973 that need this kind of lifesaving technology the most.

2974 I want to take a moment to discuss one specific pipeline  
2975 failure from 2020 that was mentioned in the first panel. A  
2976 carbon dioxide pipeline operated by Denbury failed near  
2977 Satartia, Mississippi, sending an asphyxiant that is heavier  
2978 than air long distances, displacing oxygen. Nearly the

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2979 entire community of 200 was evacuated, with 45 of them  
2980 seeking treatment at local hospitals. Residents lost  
2981 consciousness, suffered seizures, and foamed at the mouth.  
2982 First responders heroically pulled many to safety while  
2983 donning scuba gear, their truck engines unable to operate in  
2984 the oxygen-deprived environment.

2985         Experts are predicting a future with 20 times or more  
2986 the current amount of CO2 pipelines due to congressional  
2987 incentives. These new pipelines will likely be sited much  
2988 closer to communities, and CO2 pipelines are dangerously  
2989 under-regulated. There are no PHMSA standards on levels of  
2990 dangerous impurities, for example. Congress should mandate  
2991 that PHMSA regulate this and the other equally frightening  
2992 regulatory gaps before the public can have any kind of  
2993 confidence in the safety of CO2 pipelines.

2994         Given this, along with hydrogen posing its own unique  
2995 set of new pipeline safety dangers, I was disappointed to see  
2996 that the draft of the Pipeline Safety, Modernization, and  
2997 Expansion Act of 2023 includes a reduction in funding for  
2998 PHMSA. I was also disappointed that the draft bill includes  
2999 provisions that have nothing to do with PHMSA or pipeline

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3000 safety, such as changing the way the EPA regulates class 6  
3001 wells and the way FERC issues permits.

3002 To honor the value we place on safe communities,  
3003 Congress owes it to the American people to give PHMSA more  
3004 authority and resources and to implement the safety  
3005 recommendations I have detailed in my written testimony.

3006 Thank you again for inviting me today. I look forward  
3007 to answering any questions the subcommittee may have, and  
3008 helping Congress improve our nation's pipeline safety.

3009 [The prepared statement of Mr. Caram follows:]

3010

3011 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

3012

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3013           \*Mr. Duncan. [Presiding] Just to clarify the record,  
3014 there is no reduction in level of funding for PHMSA. It is a  
3015 reallocation of that money, but the baseline level stays the  
3016 same.

3017           \*Mr. Caram. Based on the last year in the  
3018 authorization, it \_ just looking at the numbers, it does  
3019 appear to \_ maybe it is not from what was appropriated, but  
3020 from what was authorized it does appear to be a reduction.

3021           \*Mr. Duncan. Thank you. I will now go to Mr. Rorick.  
3022           It is great to see you, and you are recognized for five  
3023 minutes.

3024           \*Mr. Rorick. Great, thank you, Mr. Chairman.

3025

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3026 STATEMENT OF ROBIN RORICK

3027

3028           \*Mr. Rorick. Chairman Duncan, Ranking Member DeGette,  
3029 and members of the subcommittee, thank you for the  
3030 opportunity to testify this morning. My name is Robin  
3031 Rorick, and I am vice president of midstream policy at the  
3032 American Petroleum Institute. On behalf of API, we  
3033 appreciate the opportunity to testify as part of this  
3034 important hearing addressing pipeline safety and the  
3035 reauthorization of the U.S. Department of Transportation's  
3036 Pipeline and Hazardous Materials Safety Administration.

3037           Every day our nation's network of more than 500,000  
3038 miles of transmission pipelines transports the oil, natural  
3039 gas, refined products, and low-carbon energy that fuel modern  
3040 life. America has led the world in reducing carbon dioxide  
3041 emissions over the past two decades, even as our industry has  
3042 made the United States the world's leading producer of oil  
3043 and natural gas.

3044           The air Americans breathe is cleaner because of  
3045 innovative improvements to the way energy is produced,  
3046 transported, refined, and consumed. But we need pragmatic,



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3047 bipartisan energy policies that support the reasonable  
3048 development of our nation's oil and natural gas resources,  
3049 including policymaking that encourages investment in critical  
3050 energy infrastructure like pipelines.

3051 Pipelines, one of the safest, most environmentally  
3052 responsible ways to transport energy to consumers, are in  
3053 every U.S. state, and our industry is committed to a zero-  
3054 incident safety culture. Even as barrels delivered and  
3055 pipeline mileage continues to increase, the strong safety  
3056 record is improving. As Mr. Black indicated, over the last  
3057 five years total liquid pipeline incidents have decreased 20  
3058 percent \_ 28 percent, while incidents impacting people and  
3059 the environment have declined 16 percent.

3060 We welcome effective policymaking to help continuously  
3061 improve pipeline safety. We applaud this committee's efforts  
3062 to develop a comprehensive approach to PHMSA reauthorization  
3063 through its draft bill, the Pipeline Safety, Modernization,  
3064 and Expansion Act of 2023. API is pleased that the draft  
3065 bill addresses many critical issues that our industry has  
3066 long advocated for, including a functional technology pilot  
3067 program, a confidential voluntary information sharing system

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3068 for operators, criminal penalties for damaging pipeline  
3069 infrastructure, and a required rulemaking on pipeline  
3070 transportation of carbon dioxide. These are common-sense  
3071 policy changes that will help enhance pipeline safety and  
3072 spur innovation as we advance a zero-incident future.

3073 We appreciate the committee's recognition of another  
3074 important issue linked to pipeline safety: permitting  
3075 reform. Issues your committee have identified with regard to  
3076 the permitting for the modification, expansion, expansion, or  
3077 maintenance of existing pipeline facilities are often  
3078 overlooked, but are critical to safely maintaining our energy  
3079 supply chain.

3080 The committee's proposal also reflects an important  
3081 opportunity to modernize the permitting system by making it  
3082 easier for operators to expand their infrastructure by  
3083 collocating resources in existing rights of way.

3084 Finally, the draft bill improves the risk assessment  
3085 provision in the Pipeline Safety Act by clarifying that costs  
3086 and benefits considered during the rulemaking process should  
3087 be limited to those within the United States. This important  
3088 requirement ensures that benefits of the regulation justify

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3089 its costs and makes more effective rulemakings that  
3090 appropriately target specific pipeline safety needs.

3091 This legislation is a strong starting point, and we also  
3092 encourage this committee to consider additional provisions  
3093 which we believe will complement your draft bill and work to  
3094 improve pipeline safety. In my written testimony I recommend  
3095 that Congress direct PHMSA to allow pipeline operators to  
3096 base their storage tank inspection frequency on risk-based  
3097 engineering principles, require PHMSA to review and update  
3098 the industry standards they incorporate by reference at  
3099 regular intervals, and provide clarity as to what agency  
3100 regulates implant piping at refineries.

3101 I want to be conscious of my time, but I would welcome  
3102 any opportunity to work with you and your staff on these  
3103 important issues.

3104 As a final matter, we also urge this committee to  
3105 conduct diligent oversight of the agency's efforts to issue  
3106 new regulations related to leak detection and repair, a  
3107 mandate that \_ from the 2020 pipeline safety bill and that  
3108 was discussed earlier.

3109 While API supports PHMSA's goal of addressing methane

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3110 emissions, if enacted the current proposal would result in  
3111 limited emission reductions compared with billions of dollars  
3112 in compliance costs disproportionately born by small  
3113 companies that operate in some of the lowest-risk pipelines  
3114 in the U.S. Our industry is actively engaged in the  
3115 regulatory process to help PHMSA craft a workable final LDR  
3116 rule, but we believe this initial proposal goes beyond the  
3117 scope of what Congress intended, and warrants attention as  
3118 you consider another reauthorization bill.

3119 In closing, let me stress that pipeline safety is not a  
3120 partisan issue, and our industry needs effective legislation  
3121 to meet the dual challenge of answering ever-growing energy  
3122 demand while leading the world in emission reductions. API  
3123 appreciates the opportunity to engage in today's hearing as  
3124 you work towards a final pipeline safety bill.

3125 And with that, Chairman Duncan, Ranking Member DeGette,  
3126 and members of the subcommittee, this concludes my prepared  
3127 statement, and I look forward to the conversation that we are  
3128 going to have today.

3129 [The prepared statement of Mr. Rorick follows:]

3130

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3131 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

3132

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3133           \*Mr. Duncan. Well, I thank you, gentleman. I thank all  
3134 of you for your testimony. We will move into the question-  
3135 and-answer portion of the hearing, and I will begin by  
3136 recognizing myself.

3137           First off, I talk about four main things when I think  
3138 about energy: produce, deliver, utilize, and export. We  
3139 need to produce more American resources; we need to deliver  
3140 those resources to be utilized to generate power and  
3141 transportation fuels; and we need to export more to help our  
3142 friends and neighbors around the world, and even help them  
3143 lower their carbon emissions by using cleaner-burning U.S. -  
3144 produced natural gas, take coal offline, lower their carbon  
3145 emissions. It is a win-win for everybody.

3146           But in order to produce more, you have to have somewhere  
3147 to put it. You have to deliver more. That is pipelines.  
3148 You could do transmission lines, too, as you produce more  
3149 electricity and deliver those. I get that. Produce,  
3150 deliver, utilize, and export. Delivery is what we are  
3151 focused on today, and this nation needs more pipelines,  
3152 period.

3153           Nobody is arguing that we don't need a better built-out

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3154 pipeline infrastructure. I mentioned the Progressive Policy  
3155 Institute paper recently. It is a left-leaning group that  
3156 wrote a paper, and they said we need more infrastructure in  
3157 this country, mainly for export, but for utilization. So  
3158 thank you guys for being here. Safety is a big part of that.

3159         And pipelines deliver these resources, whether it is  
3160 liquid fuel or gaseous substance, safely. They deliver it  
3161 more safely than trucks and trains. That has been proven,  
3162 3.4 million miles of pipelines in this country do it every  
3163 day in a safe manner. Safety is important.

3164         Mr. Rorick, I want to ask you, as you mentioned, our  
3165 approach to pipeline safety reauthorization is a more  
3166 ambitious and comprehensive approach compared to what we have  
3167 seen in the past. We recognize a critical nexus between  
3168 pipeline safety and the need for a functional, modernized  
3169 permitting system to expand critical infrastructure \_  
3170 pipeline infrastructure that we need.

3171         One provision in this discussion draft authorizes FERC  
3172 to issue any Federal permit required for the construction,  
3173 modification, expansion, inspection, repair, or maintenance  
3174 of existing pipeline or a new pipeline collocated within

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3175 existing right of way if a state has failed to act in more  
3176 than one year. The aim of this provision is to make it  
3177 easier for operators to expand their pipeline infrastructure  
3178 by collocating resources in existing rights-of-ways. Could  
3179 this help?

3180 \*Mr. Rorick. Yes, sir, Mr. Chairman.

3181 One of the things that we have advocated for, along with  
3182 regards to permitting reform \_ and permitting is a  
3183 complicated issue covered by multiple agencies, multiple  
3184 committees of jurisdiction, including yours \_ is that,  
3185 really, what industry needs is a permitting process that is  
3186 timely, it is predictable, it is transparent, and it is  
3187 consistent. So any effort along those lines to provide those  
3188 core principles is a step in the right direction.

3189 \*Mr. Duncan. It certainly provides a lot of assurances  
3190 to the marketplace.

3191 \*Mr. Rorick. Absolutely.

3192 \*Mr. Duncan. And thank you for that.

3193 Are there any environmental benefits to the approach?

3194 \*Mr. Rorick. Certainly. To the extent that we can make  
3195 sure that it is all considered in the \_ I think part of this



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3196 discussion \_ and often times a misperception for the  
3197 industry, Mr. Chairman \_ is that the industry is looking for  
3198 workarounds to the permitting processes, or streamlining.  
3199 That is absolutely not true.

3200 What we are looking for is a permitting process that  
3201 maintains those pillars. And if it does so in an appropriate  
3202 way, it is judicially durable so that it can withstand court  
3203 and we don't end up in this sort of litigation back and forth  
3204 that just delays pipeline projects, and ultimately has killed  
3205 many of them, as you have indicated before.

3206 \*Mr. Duncan. Absolutely. We talked about gas, and gas  
3207 bans, and whatever. I am not going to go through all my  
3208 written statement because of time.

3209 Mr. Schryver, how are these gas bans inhibiting energy  
3210 affordability and reliability?

3211 \*Mr. Schryver. That is an excellent question. Thank  
3212 you for the question.

3213 As I mentioned in my testimony, natural gas is the most  
3214 affordable, resilient, and reliable manner to fuel a home.  
3215 When you put a ban in place, you take away the affordability.  
3216 You make it more expensive for the homeowner to fuel their

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3217 home. You impact reliability, as well.

3218 Even during Storm Uri, when the price of natural gas  
3219 went high, it was still reliable. The gas was still getting  
3220 to the homes.

3221 \*Mr. Duncan. I can tell you right now there is a lot of  
3222 people across this country with this winter storm, the one we  
3223 just had and the one that is coming, that appreciate the fact  
3224 that they have gas logs and gas availability to heat their  
3225 homes, and cook, and other things.

3226 \*Mr. Schryver. I tell a story, I will tell it real  
3227 quick. Our vice president of government relations, Stuart,  
3228 who is behind me, he is a Mississippi State fan, and he was  
3229 in Oxford, Mississippi. So he was in Ole Miss territory  
3230 during \_

3231 \*Mr. Duncan. Twenty-two is closed right now.

3232 \*Mr. Schryver. Yes, exactly, yes.

3233 \*Mr. Duncan. So \_

3234 \*Mr. Schryver. \_ during Storm Uri. And he took his  
3235 children to a diner, and the diner was going through rolling  
3236 blackouts. The diner was still cooking because the guy had  
3237 an iPhone and a gas stove, so he was still putting out food.

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3238           \*Mr. Duncan. Lit it up with his iPhone, and cooked it  
3239 on the gas stove. Wow.

3240           So Mr. Black, do we have enough pipeline capacity in the  
3241 United States? You heard my rant, but I want to hear it from  
3242 you.

3243           \*Mr. Black. We can always use more, right? Our nation  
3244 is at historic levels of production, and we need to get more  
3245 to where Americans can benefit from lower prices, and more to  
3246 the ports where we can export it, helping us in geopolitics  
3247 and reducing carbon emissions worldwide.

3248           \*Mr. Duncan. Yes, more capacity means lower cost. We  
3249 still have to be able to deliver it. The producers I talk to  
3250 say they can produce more from existing wells without  
3251 drilling anything else, especially in the Marcellus, they  
3252 just don't have anywhere to put it. I want to give them  
3253 pipelines to help them deliver that to my utilities and  
3254 others that can utilize it, and the export side of it, as  
3255 well.

3256           My time has expired, so I will now go to Ranking Member  
3257 DeGette for five minutes.

3258           \*Ms. DeGette. Thank you so much, Mr. Chairman.

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3259           So Mr. Caram, after the chairman debated you over the  
3260 budget amounts, I had staff look it up. And here is what it  
3261 is. Under current law there is \$238 million authorized for  
3262 PHMSA. Under this draft bill it is 196 million authorized.  
3263 Under the fiscal year 2023 appropriation, actually, \$190  
3264 million was actually appropriated. So, in fact, under this  
3265 draft bill of the authorization, which is this committee, it  
3266 is quite a bit less, and you are right. And this leads me  
3267 into my questioning.

3268           \*Mr. Duncan. Pause her time for just a second. What I  
3269 said was it just flatlines it from the appropriated amount.

3270           \*Ms. DeGette. Well, I am just saying that \_

3271           \*Mr. Duncan. The current amount, 190 to 190.

3272           \*Ms. DeGette. Yes, but the authorized was a lot more.  
3273 That is what I am saying.

3274           \*Mr. Duncan. Right.

3275           \*Ms. DeGette. Okay, thank you. But the reason why I  
3276 think this is important is because of the task that we have  
3277 ahead of us.

3278           So there have been 1,486 reportable pipeline failures  
3279 since Congress passed the PIPES Act in 2020. Is that

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3280 correct, Mr. Caram?

3281 \*Mr. Caram. I don't have the numbers in front of me,  
3282 but that sounds correct.

3283 \*Ms. DeGette. Okay. And since the PIPES Act of 2020,  
3284 pipeline failures have resulted in property damage of over  
3285 \$1.3 billion, which costs over \$1 million every day. Is that  
3286 right?

3287 \*Mr. Caram. Yes.

3288 \*Ms. DeGette. Now, you state in your testimony that you  
3289 believe we are not making real progress on pipeline safety,  
3290 is that right?

3291 \*Mr. Caram. Yes, that is correct.

3292 \*Ms. DeGette. And can you briefly tell us why that is?

3293 \*Mr. Caram. So we go back to 2010. There is some  
3294 changes that PHMSA made on how they collect data on incidents  
3295 at that time. And so, rather than trying to normalize or  
3296 standardize data going back farther \_ we think that is an  
3297 objective time period to start. And when we look at that and  
3298 use, you know, statistic confidence intervals and things like  
3299 that, the incident rates, when looking at all incidents and  
3300 when looking at significant incidents, incidents impacting

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3301 people in the environment are all statistically flat.

3302 \*Ms. DeGette. So do you think that if we reduce  
3303 resources for PHMSA from the reauthorization from 238 million  
3304 to 196 million, will that help or hurt these numbers?

3305 \*Mr. Caram. I believe that would hurt the numbers.

3306 \*Ms. DeGette. Now, let me ask you this because the  
3307 chairman says, well, in the draft bill we just keep the \_ we  
3308 keep the authorization the same as the 2023 appropriation,  
3309 roughly. Do you think that would help or hurt these numbers?

3310 \*Mr. Caram. Well \_

3311 \*Ms. DeGette. If we actually gave roughly 190 million.

3312 \*Mr. Caram. To keep in mind, the legislation would also  
3313 increase the grant obligations of the organization \_ of the  
3314 agency. And so that net amount left behind for them would be  
3315 \_ would decrease, even under flat funding.

3316 It also introduces a new program, the voluntary  
3317 information sharing system. We have no idea how much that  
3318 would really cost, but it would be a very large program that  
3319 they would have to pick up. So the numbers left over for  
3320 what the agency does day in and day out for pipeline safety  
3321 would \_

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3322 \*Ms. DeGette. So there is more obligations \_

3323 \*Mr. Caram. More obligations \_

3324 \*Ms. DeGette. \_ and less money is what you are saying.

3325 \*Mr. Caram. Correct, yes.

3326 \*Ms. DeGette. So that is not going to help with the  
3327 current situation that we have, is it?

3328 \*Mr. Caram. Correct.

3329 \*Ms. DeGette. Now, I want to talk a little bit more  
3330 about PHMSA's funding.

3331 The majority's pipeline \_ never mind, I already asked  
3332 those questions.

3333 So I want to ask the other gentlemen who are here a  
3334 simple question. All of you believe we should have pipeline  
3335 safety. Is that right, Mr. Black?

3336 \*Mr. Black. Certainly.

3337 \*Ms. DeGette. Mr. Schryver?

3338 \*Mr. Schryver. Correct.

3339 \*Ms. DeGette. Mr. Rorick?

3340 \*Mr. Rorick. Yes, ma'am.

3341 \*Ms. DeGette. Okay. So we all think we should have  
3342 pipeline safety. We all think that consumers should be able

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3343 to get their energy sources \_ natural gas or whatever \_  
3344 safely. And so I would think that we would be able to give  
3345 the money that we need to make this happen on a bipartisan  
3346 basis. I would think we would be able to authorize it in  
3347 this committee, and then we would be able to work with our  
3348 appropriators.

3349 With that, Mr. Chairman, I yield back.

3350 \*Mr. Duncan. I thank the gentlelady. You know, the  
3351 PIPES Act actually created a lot of programs that \_ at PHMSA  
3352 that weren't funded in the appropriations bill, as well. So  
3353 a lot of schematics here.

3354 I will now go to the chairman of the full committee,  
3355 Mrs. Rodgers, for five minutes.

3356 \*The Chair. Mr. Rorick, Mr. Black, Mr. Schryver, are  
3357 you concerned that PHMSA's mission appears to be shifting  
3358 from a safety regulator to more of an environmental  
3359 regulator?

3360 \*Mr. Rorick. I will go first. We want to make sure  
3361 that \_ we certainly see that PHMSA's core role is safety, and  
3362 there is certainly pressure for PHMSA to expand into other  
3363 areas. So we want to make sure that we preserve that core



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3364 role as we move forward.

3365 \*The Chair. Okay. And to all of you, as you answer  
3366 this question, could you provide some examples of proposed  
3367 regulations or actions where you feel that PHMSA has failed  
3368 to act as a risk-based regulations \_ on risk-based  
3369 regulations to improve safety?

3370 So I don't know if there is anything you want to add,  
3371 Mr. Rorick.

3372 \*Mr. Rorick. Sure. So if you look \_ and the deputy  
3373 administrator covered this at some length, but we do feel  
3374 that their leak detection and repair rule did go beyond,  
3375 first and foremost, what Congress mandated them to do in  
3376 looking at gathering-lines, particularly at the class C  
3377 gathering lines, these low-pressure gathering lines in rural  
3378 areas, and it did it in such a way where it didn't \_ it is  
3379 expanding the risk-based approach to the point where we are  
3380 looking at everything at this point, and consequently we are  
3381 not taking the appropriate approach to managing some of that  
3382 risk.

3383 \*The Chair. Thank you. Thank you.

3384 Mr. Black?

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3385           \*Mr. Black. Two things come to mind.

3386           One, Congress in 2020 authorized \_ directed PHMSA to do  
3387 the Pipeline Safety Enhancement Program, and they went beyond  
3388 what Congress told them to do, decided to add an  
3389 environmental review under NEPA for an application that  
3390 shouldn't need it.

3391           The second is, while PHMSA has been working on other  
3392 things they have not acted on another thing Congress told  
3393 them to do, which is a rulemaking on operating status of  
3394 idled pipes. There is a \_ there is something between  
3395 abandoned and fully operating that Congress recognized needs  
3396 its own distinct style of regulations. PHMSA has made no  
3397 progress on that, and we see no signs that it is a priority.

3398           \*The Chair. Thank you.

3399           Mr. Schryver?

3400           \*Mr. Schryver. We support the intent of the leak  
3401 detection rule, but also have concerns with it, both in terms  
3402 of timing \_ we believe the six-month timeframe rolled out is  
3403 not achievable or realistic; and we also have concerns about  
3404 the rule as it pertains to the frequency of leak surveys.

3405           \*The Chair. Okay, thank you.

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3406           Mr. Black and Mr. Rorick, I believe we need to expand  
3407 our existing pipeline infrastructure and build new projects  
3408 to meet growing demand. Unfortunately, some states are  
3409 blocking interstate pipelines for political reasons. It is  
3410 clear to me that they would rather keep it in the ground,  
3411 even if it means harming grid reliability and spiking energy  
3412 prices.

3413           Mr. Black, do you support giving FERC additional  
3414 authority to issue permits if a state agency fails to act?

3415           \*Mr. Black. Yes.

3416           \*The Chair. Mr. Rorick?

3417           \*Mr. Rorick. As I indicated before, ma'am, we certainly  
3418 would support any provision that would provide that  
3419 transparency, predictability, and the timeliness that we need  
3420 to get permits.

3421           \*The Chair. Thank you.

3422           Mr. Schryver, we are starting to see some states and  
3423 local governments pass gas bans at the urging of radical  
3424 environmental groups. These bans are clearly  
3425 unconstitutional, and are creating major hurdles to getting  
3426 affordable, reliable energy to Americans. Can you talk about

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3427 the effect of these gas bans, and what it means for your  
3428 publicly-owned gas distribution companies?

3429 \*Mr. Schryver. Absolutely. Thank you for the question.

3430 We believe the homeowner, the consumer is best suited,  
3431 and they should have the freedom of choice to choose the  
3432 appliance that best fits their needs. If they want to put an  
3433 electric stove in, they should be entitled to. Likewise with  
3434 gas.

3435 You know, if they \_ as I laid out in my testimony, there  
3436 are benefits to natural gas appliances. They are more  
3437 affordable, more reliable, more resilient. And despite all  
3438 these benefits, we have wait lists in some areas of the  
3439 country where there is not capacity to get the gas to the  
3440 consumers, so the consumers that want the gas can't get it.

3441 \*The Chair. Thank you. Do you support \_ as a follow-  
3442 up, do you support including a provision in the pipeline  
3443 safety reauthorization to stop gas bans?

3444 \*Mr. Schryver. We do.

3445 \*The Chair. Mr. Black, do you \_ do your members support  
3446 language to stop gas bans?

3447 \*Mr. Black. We support the fuel choice language in your

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3448 discussion draft, yes.

3449 \*The Chair. Okay, thank you. Thank you all for being  
3450 here.

3451 I yield back.

3452 \*Mr. Duncan. The gentlelady yields back. I will now go  
3453 to Mr. Tonko for five minutes.

3454 \*Mr. Tonko. Thank you, Mr. Chair.

3455 Last year in Wappingers Falls, New York, a little south  
3456 of my district, a gas line ruptured, resulting in a massive  
3457 fire at a multi-family apartment building. Fifteen people  
3458 were injured, including two children and five first  
3459 responders. That gas line was damaged by an excavator.

3460 So Mr. Caram, is excavation damage a common threat to  
3461 natural gas infrastructure?

3462 \*Mr. Caram. Yes. There are \_ PHMSA tracks \_ operators  
3463 report on every incident what the cause of that incident was.  
3464 A lot of times there are multiple causes that interact with  
3465 each other, and that data is available to the public. And  
3466 yes, excavation damage is certainly one of the leading  
3467 causes, but there are a lot of other causes, as well.

3468 Operator failure \_ in my testimony I broke out incident

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3469 trends, and I grouped the causes together based on those that  
3470 are within direct control of the operator and those that are  
3471 more indirect control of the operator. And excavation  
3472 damages would be more indirect control of the operator, and  
3473 they are \_ those causes are significantly lower than those  
3474 that are under direct control of the operator.

3475 \*Mr. Tonko. Thank you. And what regulations are in  
3476 place to try to prevent these incidents? And are they  
3477 working?

3478 \*Mr. Caram. Well on excavation damage there is \_  
3479 operators are required to have damage prevention programs and  
3480 public awareness campaigns that are part of the regulations.  
3481 It is then left up to the states to \_ how they implement  
3482 those, and there is not a lot of standardization. Some  
3483 national organizations have put forth what the best practices  
3484 should be in a state program, and many states don't follow  
3485 those best practices.

3486 \*Mr. Tonko. Yes. Are there states that stand out as  
3487 being the most driven to protect from this kind of damage?

3488 \*Mr. Caram. I don't have those off hand.

3489 \*Mr. Tonko. But there are different degrees \_

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3490 \*Mr. Caram. There are.

3491 \*Mr. Tonko. \_ I heard you say, okay. And what are some  
3492 things that states can do or PHMSA can require states to do  
3493 to improve Call Before You Dig/811 programs?

3494 \*Mr. Caram. I mean, I believe they are doing a lot. I  
3495 think where the most progress could be made here is by  
3496 Congress ordering some of those best practices as a  
3497 requirement to the states. And I believe there is probably a  
3498 lot of consensus around that among stakeholders.

3499 \*Mr. Tonko. So is it just a voluntary thing now, or is  
3500 it just a guideline? Or are they required to \_

3501 \*Mr. Caram. They are not required, and I imagine others  
3502 could speak more to this than I can, but PHMSA has a grant  
3503 program, and each state is graded on how well of a program  
3504 they do. But there aren't very many consequences to a state,  
3505 you know, not holding up those standards.

3506 \*Mr. Tonko. Okay, thank you. And in addition to  
3507 excavation, I am certain there are other safety threats to  
3508 pipelines. So can you, sir, describe how natural hazards  
3509 such as seismicity, erosion, floods, hurricanes, and  
3510 wildfires, which pose a risk to pipeline infrastructure, how

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3511 could they be dealt with in a more effective way?

3512 \*Mr. Caram. Yes, that is a great question. We lump all  
3513 of those together and call them geohazards. And land  
3514 movement, earthquakes, and all of those are growing causes  
3515 and threats to pipeline integrity. There aren't a lot of  
3516 specific standards in the PHMSA regulations about geohazards.  
3517 I think historically they have been thought of as an act of  
3518 God. But as we move towards this goal of zero incidents,  
3519 that includes failures from geohazards.

3520 Operators within high consequence areas need to mitigate  
3521 against those geohazards and integrity management plans, but  
3522 there are very few regulations requiring that kind of  
3523 mitigation outside of high consequence areas.

3524 \*Mr. Tonko. So there is \_ that is an area where we can  
3525 further ensure safety requirements \_

3526 \*Mr. Caram. Yes, Congress could tell PHMSA that  
3527 operators need to have mitigation \_ geohazard mitigation  
3528 plans on all of their pipelines.

3529 \*Mr. Tonko. Thank you. Well, I appreciate your  
3530 responses.

3531 And with that, Mr. Chair, I yield back.



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3532           \*Mr. Duncan. The gentleman yields back. I now go to  
3533 the chair of the Health Subcommittee, Mr. Guthrie from  
3534 Kentucky, for five minutes.

3535           \*Mr. Guthrie. Thank you, Mr. Chair. Thank you for the  
3536 time. Thank you for the witnesses for being here today.

3537           And Mr. Black or Mr. Rorick, if you would care to  
3538 comment on what Mr. Caram just said, that \_ I think this is a  
3539 quote, I didn't get it all down right \_ many states don't  
3540 follow best practices in pipeline safety. Is that your  
3541 experience, that many states don't follow best practices?

3542           \*Mr. Black. Excavation damage prevention? If that is  
3543 our topic here, we find a lot of \_ sorry, we find a lot of  
3544 states are not doing good enough in either enforcing their  
3545 excavation damage laws or in eliminating exemptions to the  
3546 One Call program.

3547           If a call is made, and it is properly marked, the odds  
3548 of an incident are way down, and excavation damage is a big  
3549 threat to pipeline safety. So improved performance by the  
3550 states and improved oversight by Congress on that state  
3551 program could help safety.

3552           \*Mr. Guthrie. Okay. Do you find the same thing, Mr.

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3553 Rorick?

3554 \*Mr. Rorick. Yes, we would completely agree with that.  
3555 And there is a ton of work that industry continues to \_ it is  
3556 a constant effort and constant work to continue to reach out  
3557 to construction companies to maintain the 811 program. The  
3558 oil and gas industry is one of the largest contributors to  
3559 maintain that 811 program, which covers all underground  
3560 infrastructure and telecommunications, et cetera, but that is  
3561 a constant effort that we are \_

3562 \*Mr. Guthrie. But that is an issue with the states, and  
3563 enforcement from the states?

3564 \*Mr. Rorick. Yes, there is incredible variability  
3565 there. So it is work that we are doing both at the Federal  
3566 level, as well as at the state level.

3567 \*Mr. Guthrie. Thank you. That is good to know. Thank  
3568 you. Thanks for clarifying that to me.

3569 So Mr. Black, the PIPES Act of 2020 authorized PHMSA to  
3570 establish the Pipeline Safety Enhancement Program to  
3571 demonstrate effectiveness of new pipeline technologies and  
3572 analytical methods. However, no pipeline operators have  
3573 applied to PHMSA under the program to participate in that.

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3574 And I asked that to Mr. Brown, if you saw the testimony  
3575 earlier today, and it is more of a process issue, the process  
3576 of getting up and running.

3577 What is your experience with that and why operators  
3578 aren't participating?

3579 \*Mr. Black. Well, I followed your conversation with the  
3580 deputy administrator with great interest, because you are  
3581 absolutely right. You established this program with great  
3582 intent, and they blew it on implementation. They made it  
3583 untenable. No operator found it is worthwhile, despite the  
3584 potential benefits.

3585 Your discussion draft \_

3586 \*Mr. Guthrie. Why is it untenable? Just \_ what is your  
3587 definition of untenable? Just what \_

3588 \*Mr. Black. Well, they would require use of the  
3589 bureaucratic special permit program, which we would encourage  
3590 you to prevent. They required an environmental review under  
3591 NEPA for what is a temporary pilot program. No need for  
3592 that, Congress didn't call for that.

3593 You have remedied a lot of the issues in the discussion  
3594 draft. Were it to become law, I would expect that operators

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3595 would be applying, and we would be able to get these safety  
3596 benefits.

3597 \*Mr. Guthrie. So it wasn't just a matter of not having  
3598 the program ready. There were specific things that are  
3599 preventing you from participating that you just listed.

3600 \*Mr. Black. Yes.

3601 \*Mr. Guthrie. Yes, okay. So also, have you found that  
3602 PHMSA is open to new technology and improvements from you  
3603 guys on the pipeline safety, or is that \_

3604 \*Mr. Black. Yes, I believe so. We conduct  
3605 collaboration on R&D. PHMSA does do their own R&D funding,  
3606 just as we do. That can be better. That should be quicker.  
3607 That should be targeted on strategic issues.

3608 But this Pipeline Safety Enhancement Program is the  
3609 perfect place to show that those work so that PHMSA can get  
3610 the data from that and modernize their regulations so that we  
3611 are not using 20-year-old know-how. Let's use the technology  
3612 as it should be.

3613 \*Mr. Guthrie. Okay. So could you also \_ maybe Mr.  
3614 Schryver, as well \_ some examples of what technologies are  
3615 out there that should be implemented that aren't being

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3616 implemented because of just the regulatory process, they are  
3617 trying to improve them and get them done? What kind of  
3618 things are we talking about?

3619 \*Mr. Black. Pipelines are inspected with MRI technology  
3620 that you might find at a doctor's office that can collect  
3621 terabytes of information as they go through the pipe. And  
3622 there is advanced learning now on what \_ the features that  
3623 this inspection technology find. And we now know that we  
3624 know more about what type of features lead to what type of  
3625 incidents and timelines. So let's demonstrate that so that  
3626 PHMSA can modernize their regulations to reflect the  
3627 technology \_

3628 \*Mr. Guthrie. So what do the regulations say that  
3629 prevents you from doing that?

3630 \*Mr. Black. They are based on old standards, more than  
3631 20 years old.

3632 \*Mr. Guthrie. So they won't accept \_ they just won't  
3633 accept that as new information?

3634 \*Mr. Black. They have not updated them.

3635 \*Mr. Guthrie. Okay. So Mr. Schryver?

3636 \*Mr. Schryver. One of the \_ any time there is an

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3637 incident, we learn from it. And one of the things that we  
3638 appreciate in this bill is the voluntary information sharing  
3639 platform as it pertains to pipeline safety.

3640 \*Mr. Guthrie. So what kind of technologies are you  
3641 seeing out there that are \_

3642 \*Mr. Schryver. I mean, our members \_

3643 \*Mr. Guthrie. \_ that are ready to launch, but we just  
3644 can't get through the bureaucracy?

3645 \*Mr. Schryver. Our members run the breadth \_ you know,  
3646 our members range in size from Philadelphia Gas Works to \_  
3647 half of our members have five employees or less. So these  
3648 are really, really small communities utilizing a wide variety  
3649 of technologies.

3650 One of the things that is really helpful to us is the  
3651 infrastructure grant program, as it is providing these small  
3652 communities with funds to assist them in the repair and  
3653 replacement of infrastructure.

3654 \*Mr. Guthrie. But how is PHMSA preventing you from  
3655 getting this done, I guess, implementing \_

3656 \*Mr. Schryver. The program is moving along. The first  
3657 year has been done. The second year of the program is going

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3658 to be additional funding, twice as much as the first year.

3659 So that has helped us.

3660 \*Mr. Guthrie. Okay, thanks.

3661 I yield back.

3662 \*Mr. Duncan. The gentleman's time has expired, and I  
3663 will now go to Mr. Cardenas for five minutes.

3664 \*Mr. Cardenas. Thank you, Mr. Chairman, I appreciate  
3665 this opportunity to have a dialogue with the witnesses, and I  
3666 appreciate your opinions and your perspectives so we can  
3667 share with the American people what is going on out there.

3668 As has been mentioned, pipeline incidents are incredibly  
3669 dangerous. Someone every nine days is killed or injured by  
3670 pipeline failures, and that is not even considering the  
3671 longer-term health effects of air and water pollution, et  
3672 cetera, that affect communities for decades and even longer.  
3673 These are very real impacts and, more often than not,  
3674 devastating \_ this devastates communities, American children,  
3675 and American families.

3676 Unfortunately, far too often communities are cut out of  
3677 regulatory processes, despite bearing the majority of the  
3678 burden when projects go wrong. With that in mind, I would

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3679 like to discuss PHMSA's public engagement, or sometimes a  
3680 lack thereof, of public engagement.

3681 Mr. Caram, as you noted in your written testimony, PHMSA  
3682 currently lacks an independent division that would ensure  
3683 effective public engagement and education in pipeline safety.

3684 \*Mr. Caram. Yes, that is correct. I would say,  
3685 historically, public engagement has not been one of PHMSA's  
3686 strong points. And the public is often frustrated. The  
3687 Pipeline Safety Trust, we hear from a lot of members of the  
3688 public who have reached out to PHMSA with questions and  
3689 haven't gotten anywhere, and they come to us very frustrated.

3690 There is also, you know, the multiple jurisdictional  
3691 issues. FERC points them to PHMSA, PHMSA points them to FERC  
3692 and other agencies, as well. And so we deal a lot with some  
3693 frustrated public.

3694 I will say that under the current administration there  
3695 have been improvements to PHMSA's public engagement. Having  
3696 a public meeting in Freeport after the LNG failure, having a  
3697 public meeting about CO2 pipeline safety in Des Moines, Iowa  
3698 are good steps forward, but we believe that an independent  
3699 office dedicated to public engagement would help



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3700 tremendously.

3701           \*Mr. Cardenas. And the community liaison program within  
3702 PHMSA, is it falling short today? What can take place to  
3703 make it better?

3704           \*Mr. Caram. We do hear a lot of frustration from the  
3705 public who have worked with various community liaisons under  
3706 PHMSA.

3707           \*Mr. Cardenas. Is it stretched too thin? Is it just a  
3708 model that won't \_ wouldn't work under any circumstance?

3709           \*Mr. Caram. I am not sure exactly what is causing the  
3710 shortfall there, but I believe more resources and some  
3711 independence would help tremendously.

3712           \*Mr. Cardenas. Okay, thank you. I understand that  
3713 bipartisan T&I bill changes that program into a more robust  
3714 office of public engagement. Could you talk about some of  
3715 the benefits of the changes made in the T&I bill that \_ what  
3716 additional changes would be necessary for any pipeline safety  
3717 reauthorization to give an office of public engagement the  
3718 teeth it needs to be effective?

3719           \*Mr. Caram. Yes, thank you for that. The T&I bill does  
3720 have a carve-out for this group, and rename it the office of

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3721 public engagement, which would give some congressional  
3722 oversight and some accountability to the program, and it  
3723 would provide significant funding to the program that it  
3724 doesn't have right now, all of which are good steps forward.

3725 I believe it still lacks the independence of \_ that  
3726 would allow it to be a true asset to the public. I think we  
3727 have seen some success with the office of public  
3728 participation for FERC \_ a very different agency, where we  
3729 are talking very different issues that they would deal with,  
3730 but the independence model, I think, would serve PHMSA well.

3731 \*Mr. Cardenas. Give me an example of what you referred  
3732 to as a better independence model.

3733 \*Mr. Caram. Well, the office of public participation  
3734 with FERC, when we have members of the public \_ generally, we  
3735 are talking pipeline safety and PHMSA, but there is there is  
3736 a cross-current of issues \_ before the office of public  
3737 participation, when we would send them to FERC, they would  
3738 come back to us still just equally frustrated. And we have  
3739 seen the public getting answers from that office of public  
3740 participation that they weren't getting before.

3741 \*Mr. Cardenas. Thank you. Could you elaborate on some

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3742 of the ways that such an office could help communities in the  
3743 aftermath of an accident or some incident?

3744 \*Mr. Caram. Absolutely, that is one of the areas where  
3745 you really see the public engagement of the agency falling  
3746 short. They are so focused on the investigation and things  
3747 like that, understandably, that \_ we don't want to pull any  
3748 resources from that, but there is no public information  
3749 officer, there is no point person. And so, again, we get a  
3750 lot of those, as a non-profit, questions in the aftermath of  
3751 a failure.

3752 And just having one person that is that point person of  
3753 an information officer that members of the public who just  
3754 had this pipeline explode in their community could go to for  
3755 answers would be tremendously helpful.

3756 \*Mr. Cardenas. Okay, thank you.

3757 My time having expired, Mr. Chairman, I yield back.

3758 \*Mr. Duncan. The gentleman yields back. I will now go  
3759 to Michigan, home of Big Blue, Tim Walberg, for five minutes.

3760 \*Mr. Walberg. National champions and fully in the  
3761 pipeline. Thank you, Mr. Chairman, and thanks to the panel  
3762 for being here.

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3763 Mr. Black, the discussion draft requires the Secretary  
3764 to establish a confidential VIS for pipeline operators. Why  
3765 is a VISS necessary, and how will it impact pipeline safety  
3766 and communication across the industry?

3767 \*Mr. Black. The voluntary information sharing system  
3768 would create a safe space for pipeline operators and  
3769 regulators and analysts to talk about pipeline incidents and  
3770 learn from them. That is our goal, is reducing incidents.

3771 Something similar, of course, has been done in aviation,  
3772 and we have seen the benefits from that. So we support the  
3773 inclusion of a voluntary information sharing system, and are  
3774 glad that is in the draft.

3775 \*Mr. Walberg. Well, in the age of AI \_

3776 \*Mr. Black. Yes, sir.

3777 \*Mr. Walberg. \_ to have actual information \_

3778 \*Mr. Black. Right.

3779 \*Mr. Walberg. \_ will be the foundation for all that you  
3780 folks learn, especially when you are talking about what you  
3781 do inside the pipelines with an MRI, as it were, and get  
3782 patterns. Thank you.

3783 Mr. Rorick and Mr. Schryver, in 2020 PHMSA issued an

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3784 NPRM on class location change requirements which would  
3785 increase flexibility and allow operators to address class  
3786 location changes with safety management practices, rather  
3787 than spending billions to replace perfectly safe pipelines.  
3788 Since then, PHMSA has not acted in implementing the rule.

3789 How has this lack of action undercut your members'  
3790 ability to innovate and invest in modern technology and  
3791 safety practices?

3792 Mr. Schryver, go ahead.

3793 \*Mr. Rorick. Go ahead.

3794 \*Mr. Schryver. As you mentioned, a lot of our members  
3795 are small systems, so there is always resource challenges  
3796 associated with small systems.

3797 That grant program, the infrastructure grant program,  
3798 has helped our members immensely in terms of getting the  
3799 resources they need to rehabilitate and replace  
3800 infrastructure.

3801 In terms of the program you mentioned, can I get you  
3802 something in writing on that?

3803 \*Mr. Walberg. Sure.

3804 \*Mr. Schryver. Thank you.

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3805

3806

3807

3808 [The information follows:]

3809

3810 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

3811

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3812           \*Mr. Walberg. Sure.

3813           Mr. Rorick?

3814           \*Mr. Rorick. Sure, so the class location issue is a  
3815 perfect example where the regulations have not kept up with  
3816 the advancements in technologies and the capabilities of  
3817 industry to assess and monitor its pipeline. So it really  
3818 forces industry to take somewhat of a binary approach to just  
3819 say if we \_ population densities around a pipeline get to a  
3820 certain point, you have got to pull out that pipeline.

3821           In addition to disrupting service to downstream  
3822 operators, you also have to evacuate that line to do the  
3823 work, which means in many cases you have to vent that to the  
3824 atmosphere. We heard earlier today that in some cases \_ or  
3825 last year, that there was enough natural gas released to the  
3826 atmosphere from pipeline blowdowns to heat 10,000 \_ to  
3827 provide energy to 10,000 homes, as an example. We can avoid  
3828 a lot of that to try to meet the climate concerns that a lot  
3829 of folks have. That would be great.

3830           In addition, many of those pipelines don't have to be  
3831 pulled out. We don't have to put workers in harm's way by  
3832 using heavy equipment to pull those lines out. If we can use

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3833 \_ if we are able to use the modern technology that we have  
3834 today to assess those lines, we can determine that many of  
3835 them can be left in place and monitored to make sure that  
3836 they operate safely.

3837 \*Mr. Walberg. Yes, I appreciate that.

3838 And continuing that thought, Mr. Black, I recently had  
3839 the honor of being named as vice chairman of the Conservative  
3840 Climate Caucus. Strange name, Conservative Climate Caucus.  
3841 But I believe in being a good steward of our environment, and  
3842 responsibly use the resources that we have, that we have been  
3843 talking about. That is why it has baffled me to hear and see  
3844 and feel the opposition to increasing America's pipeline  
3845 capacity.

3846 Can you explain how more \_ more how pipelines compare to  
3847 other modes of transportation when it comes to environmental  
3848 impact and emissions?

3849 \*Mr. Black. Well, there are less greenhouse gas  
3850 emissions involved in pipeline transportation of any fuel or  
3851 liquid, including CO2, right?

3852 When you build a pipeline and take transportation from  
3853 some other mode onto a pipeline, you are reducing GHG



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3854 emissions. Now we are seeing that pipelines are also  
3855 necessary to move CO2 itself from where it is generated to  
3856 where it can be stored, and so our nation is going to need a  
3857 build-out of a lot of CO2 pipelines to achieve the goals that  
3858 your caucus is probably working on.

3859 \*Mr. Walberg. And it gives me \_ also gives more  
3860 opportunity for those transportation resources above ground  
3861 to be used for other purposes \_

3862 \*Mr. Black. Right.

3863 \*Mr. Walberg. \_ that we are having challenges with  
3864 right now. So thank you, I appreciate the responses.

3865 And I yield back.

3866 \*Mr. Duncan. The gentleman yields back. I will now go  
3867 to Mrs. Fletcher for five minutes.

3868 \*Mrs. Fletcher. Thank you so much, Mr. Chairman, and  
3869 thank you to all of our witnesses for sharing your thoughts  
3870 today. I am glad to see you here, and really want to follow  
3871 up on the questions that I asked Deputy Administrator Brown  
3872 in the last panel and portion of our hearing because,  
3873 obviously, we are very focused in this legislative hearing on  
3874 the reauthorization legislation, and I was glad to work on it

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3875 and to work with many of your members who are headquartered  
3876 or near my district in Houston when we did the PIPES Act in  
3877 2020, and I really want to hear from you about a couple of  
3878 the challenges that we have been trying to address for  
3879 several years.

3880         So Mr. Black, I want to start with you. Could you talk  
3881 a little bit about some of the impediments that your member  
3882 companies have faced when it comes to participating in the  
3883 technology pilot program?

3884         I asked Administrator Brown about that, and that is  
3885 something very important to my constituents, and I think it  
3886 is clearly not working. They have had no applications. It  
3887 is something that I know so many of your members want to be  
3888 able to participate in. And so could you talk a little bit  
3889 about the key changes that you think are necessary to get new  
3890 technology into the field and work on these improvements to  
3891 pipeline safety?

3892         \*Mr. Black. Thank you for your longstanding interest in  
3893 this. I think you achieved a win today in your discussion  
3894 with Deputy Administrator Brown.

3895         One of our things that we have seen that has been a

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3896 failure in the Pipeline Safety Enhancement Program  
3897 implementation by PHMSA is the use of the bureaucratic  
3898 special permits program. And I believe he acknowledged to  
3899 you that maybe that is not a good fit. That is great. That  
3900 is a recommendation to the committee to tell that to PHMSA.

3901 Another one is remedied by the discussion draft. It is  
3902 the use \_ it is the requirement of an environmental review  
3903 under NEPA of something that really is not appropriate for  
3904 that. We believe these projects are certainly going to be  
3905 positive for safety and for the environment, but we need to  
3906 be able to move fast so that we can get this data and test  
3907 these new technologies and analytics.

3908 So thank you for your help.

3909 \*Mrs. Fletcher. Well, of course, I think we all have an  
3910 interest in seeing these new technologies advance.

3911 And so, Mr. Caram, I want to switch over to you and ask  
3912 \_ I understand that you testified before the Transportation  
3913 and Infrastructure Committee, which has concurrent  
3914 jurisdiction here with us. And so could you talk a little  
3915 bit about the issues that were included in the draft of the  
3916 PIPES Act for 2023 that were negotiated in that bill that

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3917 aren't in the draft bill before us today that you think we  
3918 should be considering, including the kinds of bipartisan  
3919 proposals that came out of the T&I Committee that this  
3920 committee should also include?

3921 \*Mr. Caram. Thank you for the question. In the T&I  
3922 bill there was \_ the \_ in their version of voluntary  
3923 information sharing system they had dedicated funding for  
3924 that that was additive to PHMSA's allocation, and that would  
3925 be critical to, I think, to that program.

3926 There was an increase in PHMSA's ability to fine  
3927 operators who were out of compliance.

3928 And there was also \_ we believe the data is showing that  
3929 the integrity management system, which is really critical to  
3930 the pipeline safety regulations, maybe isn't working as well  
3931 as we all hope. And so there \_ in the T&I bill there was a  
3932 study looking at how effective the integrity management  
3933 program is, and where it is falling short, and how to make it  
3934 better, and I think that would be critical, as well.

3935 \*Mrs. Fletcher. Terrific. Well, I will \_ I want to ask  
3936 one more question of Mr. Rorick, but I will submit a question  
3937 for the record for all of you, that if there are provisions

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3938 that are in that draft legislation, or in that legislation  
3939 that aren't in ours that you think we should be looking at, I  
3940 would love to get your input from everybody on the panel.

3941 [The information follows:]

3942

3943 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

3944

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3945            \*Mrs. Fletcher. But, Mr. Rorick, with the time I have  
3946 left I would like to ask you to explain to our committee why  
3947 the modernization to pipeline inspection in the class  
3948 location rule is so important for your member companies when  
3949 it comes to older and somewhat outdated methods that have a  
3950 higher environmental impact and expensive cost. I think that  
3951 would be really useful for us.

3952            \*Mr. Rorick. Yes, and to be mindful of the time, I will  
3953 be brief. And we have talked a lot about the issue, and you  
3954 have highlighted the issue with Mr. Black that the reality of  
3955 it is that, since that classification rule was originally  
3956 developed, technology has advanced dramatically. Being able  
3957 to take advantage, true advantage, of that technology, being  
3958 able to take advantage of the lessons that industry has  
3959 learned in the decades that that rule has been around would  
3960 help us determine whether or not we need to take the risk to  
3961 remove those pipelines out \_ remove those pipelines, or  
3962 whether they are perfectly fine where they are and we need to  
3963 continue to monitor them.

3964            So it is a much more efficient and effective way to  
3965 manage the pipeline system.

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3966 \*Mrs. Fletcher. Okay, thank you. That is very helpful.

3967 And I think, Mr. Chairman, it is a record that I got all  
3968 of my questions in both panels under time until I just made  
3969 that comment.

3970 \*Mr. Duncan. You just went over, though, so \_ yes.

3971 [Laughter.]

3972 \*Mrs. Fletcher. Thank you so much. I yield back.

3973 \*Mr. Duncan. Thank you, Mrs. Fletcher. Mr. Palmer is  
3974 recognized.

3975 \*Mr. Palmer. Thank you, Chairman, and I thank the  
3976 witnesses for being here.

3977 Mr. Black, obviously, we are very dependent on  
3978 affordable, reliable, affordable energy. It is important for  
3979 our \_ not only our economic security, our national security.  
3980 Do pipelines make us less reliant on adversaries for energy?

3981 \*Mr. Black. Absolutely. Pipelines make us less reliant  
3982 on other forms of energy, on imports. Is that what you are  
3983 asking me to talk about?

3984 \*Mr. Palmer. Well, I am going to make a point, because  
3985 that is an obvious answer.

3986 \*Mr. Black. Yes.

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3987           \*Mr. Palmer. But one of the things that I have tried to  
3988 point out to people about the war in Ukraine is it did not  
3989 create the energy crisis, it exposed it. And what happened  
3990 in Europe was in this rush to renewables they let their  
3991 infrastructure decline. They didn't increase it or advance  
3992 it. And then, when the war started, they found themselves in  
3993 a very difficult situation. And that is my concern about our  
3994 own economy and our own national security.

3995           We have enormous reserves of natural gas and and other  
3996 hydrocarbon fuels. It is interesting that the European Union  
3997 last \_ in 2022 declared natural gas "climate friendly.'" It  
3998 is \_ it reminds me of something Henry Kissinger once said,  
3999 "There is nothing that clears the mind quite so well as the  
4000 absence of alternatives,'" and that is what Europeans found  
4001 themselves confronted with.

4002           So when we are talking about our pipeline  
4003 infrastructure, obviously, safety is our top priority. But  
4004 supply ought to be a major part of this equation, and \_  
4005 because it is critical to our economy, but it is also  
4006 critical to our national security. That is, really, where I  
4007 am trying to go with this, and using Europe as a proof



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4008 positive example of that.

4009           \*Mr. Black. Well, you are you are absolutely right,  
4010 Congressman. And as you know, our nation is generating \_ is  
4011 producing more crude oil than ever before. And when the  
4012 Ukraine-Russia war started, we were able to export excess  
4013 crude oil, refined petroleum products, natural gas liquids \_  
4014 liquid natural gas there, and look at what is happening now.  
4015 We have a war there, we have unease in the Middle East, we  
4016 have shipping issues in the Red Sea, and the price for  
4017 Americans really hasn't budged. Why is that? Because we  
4018 have a lot of American production, and we a lot of American  
4019 pipeline capacity to spread throughout our country that  
4020 product.

4021           We can always do more and better, but it is \_ we need to  
4022 recognize the benefits of the production of the pipeline.  
4023 Thank you for doing that.

4024           \*Mr. Palmer. Well, Germany is a prime example of this.  
4025 I have worked for two international engineering companies  
4026 prior to running a think tank, prior to losing my mind and  
4027 running for Congress. But Germany built 5 LNG facilities in  
4028 180 days. Again, nothing clears the mind quite so well as

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4029 the absence of alternatives.

4030           The other thing that I have communicated to \_ I have  
4031 been meeting with a number of European diplomats and others  
4032 \_ is that if we haven't learned anything else from the war in  
4033 Ukraine, it ought to be this one fundamental principle, that  
4034 no nation should be reliant on an adversarial nation for  
4035 something as critical to their economic security and national  
4036 security as energy, which has led me to looking at some other  
4037 ways that the United States can really be beneficial in  
4038 dealing with adversarial nations like China, for instance, is  
4039 working in places where we have emerging economies who are  
4040 not going to deny themselves access to reliable, affordable  
4041 energy, like sub-Saharan Africa and Latin America, to help  
4042 them build out their energy infrastructure through private  
4043 investment, form a Western Hemisphere alliance, so to speak.

4044           There are nations out there that have huge reserves of  
4045 natural gas. Azerbaijan and Turkmenistan, they probably have  
4046 enough natural gas in the ground in Europe to meet their  
4047 needs for 60 years. That is part of what we need to be  
4048 talking about when we are talking about what we do here. We  
4049 want to make sure we have all of the safety protocols in

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4050 place for our pipelines, but we need to be building out the  
4051 infrastructure here through private investment and create  
4052 opportunities where we can have private investment in these  
4053 emerging economies, and step in there where China is stepping  
4054 in. They are building coal-fired plants. If China converted  
4055 to natural gas, it would cut their emissions by more than  
4056 half, the equivalent of 500 million gasoline-powered cars.  
4057 It would cut it to the equivalent of what India produces \_  
4058 emits in a year.

4059 So I really \_ I know that is a little bit off the beaten  
4060 path there, Mr. Chairman, but I think it is \_ it should be  
4061 part of the discussion going forward on \_ in terms of our  
4062 advancing pipelines, and I yield back.

4063 \*Mr. Duncan. The gentleman yields back. I now go to  
4064 the gentlelady from Washington State, Ms. Schrier, for five  
4065 minutes.

4066 \*Ms. Schrier. Thank you, Mr. Chairman, and thank you to  
4067 all of our witnesses for being here for this discussion.

4068 Mr. Caram, I would like to focus on your testimony  
4069 regarding hydrogen, specifically pipeline safety. Thank you,  
4070 by the way, for mentioning the Olympic pipeline tragedy.

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4071           As I am sure you know, the Pacific Northwest region was  
4072 selected as one of 7 nationwide hydrogen hubs that will share  
4073 a total of \$7 billion of DOE investment. And I was so proud  
4074 to lead a bipartisan effort to bring this funding to the  
4075 region, to harness clean hydropower to produce the greenest  
4076 hydrogen in the nation. And this is incredibly exciting.  
4077 This is one part of the equation, though, it is not the end  
4078 of the discussion.

4079           As you have cited in your testimony, large knowledge  
4080 gaps need to be filled with further research on hydrogen  
4081 transportation pipelines. Hydrogen leaks faster, and is more  
4082 volatile than methane gas, and can also contribute indirectly  
4083 as a greenhouse gas in the event of an unintentional leak  
4084 through impacts on methane and on ozone. So that is why it  
4085 is important to take a really thoughtful approach to ensure  
4086 that producers and users can transport hydrogen fuel without  
4087 leaks or accidents.

4088           And I was wondering if you could speak a bit about the  
4089 research that still needs to be done to understand the  
4090 compatibility of using, for example, existing pipelines to  
4091 transmit hydrogen.

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4092           \*Mr. Caram. Yes, thank you for the question. And I  
4093 think right at the end there you identified really where most  
4094 of the research needs to be done and where most of the  
4095 knowledge gaps are, and that is the conversion of existing  
4096 pipelines in order to carry hydrogen, whether as a blend or  
4097 pure hydrogen.

4098           Hydrogen, in addition to the safety issues in the  
4099 flammability range and its indirect greenhouse gas  
4100 contributions, it also poses integrity issues on pipelines.  
4101 And I think operators have a pretty good handle on building a  
4102 new pipeline and how to move hydrogen relatively safely when  
4103 they are starting from zero with all those components. But  
4104 taking an existing pipeline that was built to move methane  
4105 and knowing each piece in that very complicated system, it  
4106 only takes one piece of that system to fail to lead to a  
4107 tragedy.

4108           And so for operators to know that every single piece in  
4109 the existing system that was built for methane is able to  
4110 also move hydrogen, and at what blend do we start to see  
4111 problems, that is where the knowledge gaps are. And we would  
4112 like to see a lot of more research there.

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4113           \*Ms. Schrier. Thank you. Yes, retrofitting may or may  
4114 not be tricky, so I would have to agree with that. And thank  
4115 you for devoting attention to that.

4116           I also wanted to note, like my colleague, Mrs. Fletcher,  
4117 that the reauthorization of PHMSA marked up in T&I does have  
4118 a language to study safety and hydrogen transportation. And  
4119 so I wanted to urge, just as she did, I would urge this  
4120 subcommittee to consider similar legislative action on this  
4121 issue, as well, and would agree with her desire to get more  
4122 information about what other elements were included in the  
4123 T&I bill that we really should be thoughtful about and also  
4124 include in ours.

4125           So thank you, and I will yield back.

4126           \*Mr. Duncan. The gentlelady \_

4127           \*Mr. Caram. May I add one thing?

4128           \*Ms. Schrier. Of course. I have a minute left.

4129           \*Mr. Caram. Chair and Congresswoman, I apologize. I  
4130 just want to add one thing that wasn't in the T&I bill, but  
4131 that was in our testimony.

4132           Right now, for an operator to blend hydrogen into their  
4133 system, the only reporting that needs to be done to PHMSA is

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4134 the predominant product. And that has been interpreted to  
4135 mean, you know, whatever is over 50 percent in the pipe. So  
4136 operators can be blending things like propane and hydrogen  
4137 into their system without needing to report to PHMSA, and we  
4138 would love to see a requirement of reporting blending  
4139 components to PHMSA. We have seen safety issues with  
4140 blending propane into existing systems as a peak shaving, and  
4141 I believe it will become more of an issue with hydrogen, as  
4142 well.

4143 \*Ms. Schrier. One more question. In 18 seconds can you  
4144 talk about the advantages of blending? Is this like ethanol  
4145 with gasoline, or is there something else I should know about  
4146 blending hydrogen with methane, for example?

4147 \*Mr. Caram. Well, the \_ because hydrogen poses unique  
4148 safety issues, the more of it in the pipe, the more you will  
4149 see those safety issues show up.

4150 \*Ms. Schrier. Okay. We will talk later about  
4151 advantages. Thank you.

4152 Now I yield back.

4153 \*Mr. Duncan. I wanted to hear the answer to that, too,  
4154 because I don't know.

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4155           The gentlelady yields back. I now go to Mr. Johnson for  
4156 five minutes.

4157           \*Mr. Johnson. Thank you, Mr. Chairman. So first I want  
4158 to go to Mr. Rorick of API.

4159           I mentioned PHMSA's latest so-called "leak detection and  
4160 repair regulations'" that I am concerned have more to do with  
4161 appeasing climate zealots at the White House than \_ rather  
4162 than making American communities safer. You mentioned in  
4163 your testimony, Mr. Rorick, the need for better cost benefit  
4164 analysis when implementing such a rule. I have got the DoT  
4165 announcement right here, where Secretary Buttigieg touts this  
4166 rule, where he claims it will "keep communities safe and help  
4167 curb climate change.''

4168           Now, even if such a claim were true, in your view is it  
4169 PHMSA's job to curb climate change?

4170           \*Mr. Rorick. Well, we think that PHMSA should be  
4171 focused on safety, first and foremost. And what they have  
4172 done with this rule is they have gone beyond the statutory  
4173 request from Congress that they develop a requirement on  
4174 gathering lines, for instance, to look at class C gathering  
4175 lines that are in extremely rural areas. And if you look at



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4176 their cost benefit analysis, it just doesn't bear out that  
4177 the costs associated with fulfilling the requirements as  
4178 PHMSA has laid them out are exorbitant relative to the  
4179 benefits that it would get.

4180 So we can't even get to the discussion about whether or  
4181 not they have the responsibility \_ or whether or not they  
4182 have that role, because the rule is really poorly done at  
4183 this.

4184 \*Mr. Johnson. Got you. And to that, you mention the  
4185 overwhelming compliance costs of this rule. How would that  
4186 adversely affect the American people who rely so heavily on  
4187 your industry?

4188 \*Mr. Rorick. Well, as an example, if we again,  
4189 Congressman, go back to those class C rural gatherings, these  
4190 are small gathering lines in very rural areas with small  
4191 operators that would be \_ that would really bear the burden  
4192 of a lot of those costs. They just don't have the  
4193 capability.

4194 And again, we are not getting any benefit from that  
4195 requirement.

4196 \*Mr. Johnson. Okay, let's go to Mr. Black from the

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4197 Liquid Energy Pipeline Association.

4198 In your testimony you mentioned how pipelines deliver  
4199 millions of gallons more energy per incident than other forms  
4200 of transportation. Even the Secretary of Energy herself said  
4201 pipelines are the best way to transport these fuels. Can you  
4202 explain why that is, and why it is important to our  
4203 constituents back home who are concerned about hazardous  
4204 materials moving through their communities?

4205 \*Mr. Black. Yes, pipelines are the best way to move the  
4206 energy we need at scale. Why? One, it is the lowest-cost  
4207 option of moving energy that we use; two, there are less  
4208 safety incidents regarding liquid pipelines than the other  
4209 mode; and three, there are less GHG emissions relating to  
4210 moving that transportation.

4211 \*Mr. Johnson. So it actually \_ using pipelines in  
4212 itself helps greenhouse gas emissions, thereby helping the  
4213 climate. Right?

4214 \*Mr. Black. Yes, sir.

4215 \*Mr. Johnson. Got you. You would think they would know  
4216 that, right?

4217 Now, many of you know this is my last hearing in

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4218 Congress, so I do want to reminisce a little bit. You know,  
4219 it was 2021 \_ and I know you all remember this well \_ during  
4220 the response to the Colonial Pipeline cyber incident, it  
4221 underscored how important pipelines were to move fuels,  
4222 feedstocks, and natural gas safely and efficiently. But we  
4223 were all struck, I think, by the remarks from then-Senator \_  
4224 or Energy Secretary Granholm \_ who will certainly not miss me  
4225 on this committee, I can assure you, when I am gone \_ talking  
4226 about the infeasibility of meeting America's fuel needs with  
4227 trucks and trains alone. And she said that famous quote,  
4228 "Pipe is the best way to go.'" She is right, and I will give  
4229 her credit for telling the truth at least that one time.

4230 A couple of years later, it is clear that her colleagues  
4231 in the Administration, unfortunately, weren't listening to  
4232 her. We have to preserve and expand the pipeline  
4233 infrastructure in this country to deliver the oil, gas, and  
4234 fuels that the American people rely on every day. To our  
4235 witnesses today, please keep telling the truth about what you  
4236 do and what your industry members do. You need to use your  
4237 budgets. I am looking at you guys, API, especially. You  
4238 have to keep beating that drum, telling the story.

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4239           And with that, it has been a pleasure serving with all  
4240 of you on Energy and Commerce and this subcommittee over  
4241 these many years. And, Mr. Chairman, for the final time I  
4242 will respond with "I yield back."

4243           \*Mr. Duncan. Well, I will take a point of personal  
4244 privilege here and say what an honor it has been to serve  
4245 with Bill, and he has been a great member of the committee,  
4246 great member of the 2010 class of Congress. We came in  
4247 together, and he has been a friend to so many of us in  
4248 Congress.

4249           Your wisdom and leadership will be missed on this  
4250 committee and in this Congress. We wish you well as you take  
4251 on the new challenge at the university, and appreciate your  
4252 hard service and dedication to this nation.

4253           \*Mr. Johnson. Thank you, Mr. Chairman.

4254           \*Mr. Duncan. You are welcome. With that I will  
4255 recognize Mrs. Lesko.

4256           \*Mrs. Lesko. Thank you, Mr. Chair. My first question  
4257 is going to be for Mr. Caram.

4258           One area in this bill that I think we can strengthen is  
4259 the penalties for tampering with or destroying pipeline

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4260 infrastructure. Since 2009 one Arizona Gas Company has  
4261 experienced more than 140 instances of vandalism to its  
4262 pipeline facilities in central Arizona alone. In February  
4263 2021 suspected metal theft resulted in the release of gas and  
4264 an ignition from a high pressure pipeline in Arizona. This  
4265 ignition damaged the Seventh Street Bridge, which is located  
4266 in the heavily populated city of Phoenix, Arizona.

4267 Not only is this happening, but it is being encouraged  
4268 by radical climate activists. Last year a book-turned-movie  
4269 titled, "How to Blow Up a Pipeline" was released, which  
4270 suggests to viewers the intentional destruction of energy  
4271 infrastructure as a means to pursuing climate goals.

4272 Also, just this past Sunday, The New York Times wrote an  
4273 article about the book and its author, justifying and  
4274 promoting the extreme viewpoints that include, "I want  
4275 sabotage to happen on a much larger scale than it does now.  
4276 I can't guarantee that it won't come with accidents."

4277 With messages like this being conveyed to the American  
4278 public, damage to pipeline infrastructure is not likely to  
4279 decline any time soon. The Biden Administration's focus on  
4280 environmental justice is giving billions of dollars in grants

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4281 to like-minded community organizers to promote these violent  
4282 ideas.

4283 My question for you, Mr. Caram, is does the Pipeline  
4284 Safety Trust oppose acts to damage or destroy an interstate  
4285 national gas or hazardous liquids pipeline facility?

4286 \*Mr. Caram. Yes. The Pipeline Safety Trust opposes  
4287 activities that create unsafe conditions for people and the  
4288 environment on pipeline facilities.

4289 \*Mrs. Lesko. Thank you. Does PST consider acts to  
4290 damage or destroy an interstate natural gas or hazardous  
4291 liquids pipeline facility a protected expression of First  
4292 Amendment free speech rights?

4293 \*Mr. Caram. That is outside of the scope of my  
4294 expertise to comment on. First Amendment rights and all, I  
4295 am not an attorney, but we do oppose acts that create unsafe  
4296 conditions on pipeline facilities.

4297 \*Mrs. Lesko. Thank you. Does PST consider acts to  
4298 damage or destroy an interstate natural gas or hazardous  
4299 liquids pipeline facility an appropriate form of protest  
4300 against climate change?

4301 \*Mr. Caram. Again, we oppose any kind of activity that

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4302 creates unsafe conditions on pipeline facilities.

4303 \*Mrs. Lesko. Thank you. My second question will be to  
4304 all the panelists.

4305 Mr. Chairman, as you well know, this committee  
4306 overwhelmingly passed in a bipartisan manner and on the floor  
4307 in a bipartisan manner my Save our Gas Stoves Act. As this  
4308 Administration continues to weaponize the regulatory process  
4309 against natural gas like they did with gas stoves, we must  
4310 act and stop them. The Energy and Commerce draft contains  
4311 important provisions in our bill versus the Transportation  
4312 and Infrastructure PIPES Act to do this.

4313 One such provision is protecting fuel choice for  
4314 consumers. This section prohibits a state or municipality  
4315 from banning the transportation of an energy source,  
4316 including natural gas or liquid fuels, that are sold in  
4317 interstate commerce using a pipeline facility regulated by  
4318 the Pipeline Hazardous Materials and Safety Administration.  
4319 This is necessary since the Biden Administration continues  
4320 its war on fossil fuels and Americans choice of consumer  
4321 products and the energy they desire.

4322 My question for all panelists, and we will just start

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4323 from the left, do you support this provision in the Pipeline  
4324 Safety, Modernization, and Expansion Act of 2023, the bill  
4325 that we are talking about, and if so, why? And if not, why  
4326 not?

4327 \*Mr. Black. Yes, Congresswoman. Liquid Energy Pipeline  
4328 Association supports that. We believe customers, consumers  
4329 should be free to choose the fuel that they use.

4330 \*Mr. Schryver. The American Public Gas Association  
4331 supports it, as well. We believe the homeowner is best  
4332 suited to pick the appliance that meets his needs or her  
4333 needs.

4334 \*Mr. Caram. This provision is outside of the scope of  
4335 the mission of the Pipeline Safety Trust.

4336 \*Mr. Rorick. It is not outside our scope,  
4337 Congresswoman, and we do believe that consumers should have  
4338 the choice to choose the fuel that they want to use.

4339 \*Mrs. Lesko. Great, and I am glad that you put it in  
4340 the bill. It is very important.

4341 I have \_ oh, I am over my time, so I yield back. Thank  
4342 you all for being here.

4343 \*Mr. Duncan. The gentlelady yields back. Mr. Balderson



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4344 is recognized as someone that knows about gas.

4345 And you are recognized for five minutes.

4346 \*Mr. Balderson. Thank you, Mr. Chairman. Thank you all  
4347 for being here today. My first question is for Mr. Black and  
4348 Mr. Rorick from API.

4349 The pipeline industry measures pipeline safety based on  
4350 incidents impacting people or the environment. Can you  
4351 discuss why this is a good measure to track pipeline safety?

4352 Mr. Rorick, you can go first.

4353 \*Mr. Rorick. Me?

4354 \*Mr. Balderson. Yes.

4355 \*Mr. Rorick. Okay. Yes, so this was based off of a  
4356 recommendation from NTSB years ago in an effort to try to  
4357 sort out the copious amounts of data that industry was  
4358 submitting to PHMSA. So their recommendation was to come up  
4359 with an agreed-upon method to try to sort the data to better  
4360 assess the risk. And so this \_ the identifying incidents  
4361 impacting people or the environment was something that Mr.  
4362 Caram's predecessor, industry, and PHMSA all agreed to as an  
4363 appropriate approach to manage \_ to look at data.

4364 \*Mr. Balderson. Okay, Mr. Black.

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4365           \*Mr. Black. The goal of pipeline safety regulation is  
4366 to protect people and the environment, and that is the  
4367 priority. We want to focus there.

4368           Some incidents are small, don't affect anybody. Some  
4369 are considered significant only because of cleanup costs that  
4370 have nothing to do with whether people or the environment are  
4371 affected. So we believe that incidents impacting people and  
4372 the environment, which the trades all agreed to and PHMSA  
4373 tracks, is the proper metric, and what Congress and others  
4374 should be focused on.

4375           \*Mr. Balderson. Okay, thank you. A follow-up for both  
4376 of you.

4377           I understand pipeline incidents impacting people or the  
4378 environment that are caused by equipment failure have fallen  
4379 by over 42 percent over the last 5 years. Can you discuss  
4380 what steps your member companies have taken to reduce these  
4381 incidents, and do you believe the draft bill we are  
4382 discussing today will further reduce incidents in the future?

4383           \*Mr. Rorick. Sure. So there are a number of provisions  
4384 in the bill that would help further accelerate some of the  
4385 opportunities to continue to reduce these incidents even

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4386 further. For instance, Mr. Schryver mentioned earlier the  
4387 information sharing \_ the voluntary information sharing  
4388 provisions that are in there. We have talked about  
4389 technology and the opportunities for the permit process to  
4390 facilitate use of better and newer technology. So there are  
4391 a number of opportunities.

4392 We look at managing these incidents from a perspective  
4393 of both technology, but then also behavior, and we are trying  
4394 to tackle it on multiple fronts with as broad a perspective  
4395 as we can to make sure that we have got the most holistic  
4396 approach to the matter.

4397 \*Mr. Balderson. Thank you.

4398 \*Mr. Black. The industry wants to learn from any  
4399 pipeline incident to achieve the goal of zero incidents. So  
4400 if something happens or almost happened, industry will share  
4401 information across the industry and try to develop a best  
4402 practice or a recommended practice, even. This is faster  
4403 than the PHMSA rulemaking process. So we want to share a  
4404 result of a lesson, a best practice, and get that  
4405 implemented.

4406 The Pipeline Safety Enhancement Program, which you all

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4407 are going to be saving, I think will further help by AI  
4408 machine learning something new about equipment failures or  
4409 other causes. We will be able to demonstrate that a new  
4410 analytic or technology works, and get that modernized in  
4411 PHMSA regulations. So thank you for including that.

4412 \*Mr. Balderson. All right. Thank you.

4413 Mr. Black, in your testimony you note that canceling or  
4414 denying a pipeline project is actually worse for the  
4415 environment than allowing a pipeline to go forward. Can you  
4416 expand on why that is the case, and the potential  
4417 environmental benefits of building out pipelines?

4418 \*Mr. Black. Well, a pipeline, if it is not built, the  
4419 products that the Americans need for their energy uses are  
4420 going to be moved on other modes. Those other modes cost  
4421 more. They have more incidents. They have more GHG  
4422 emissions. So canceling a pipeline project doesn't stop the  
4423 fuel from being used, it just moves on more expensive, less  
4424 safe, and more environmentally emitting methods.

4425 So we believe that it is important for a pipeline  
4426 project that qualifies for its permits to be able to get the  
4427 permit. You have got permitting reforms in your draft that

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4428 the subcommittee chairman worked on. There is more that  
4429 Congress generally should be doing on permitting reform, as  
4430 well, to make sure that Americans get those benefits.

4431 \*Mr. Balderson. Okay, thank you.

4432 Mr. Chairman, I am going to run out of time, probably,  
4433 so I yield back my remaining time. Thank you.

4434 \*Mr. Duncan. The gentleman yields back, and that will  
4435 conclude the hearing today.

4436 And one thing about the Energy Subcommittee is we have  
4437 long hearings, and I appreciate everyone's perseverance  
4438 there. I would like to thank all the witnesses for being  
4439 here today.

4440 Members may have additional written questions for you  
4441 guys. I will remind members they have 10 days to submit  
4442 additional questions for the record. I ask witnesses to do  
4443 their best to submit responses within 10 business days upon  
4444 receipt of the questions.

4445 I ask unanimous consent to insert in the record any  
4446 documents included on the staff hearing documents list.

4447 Without objection, that will be the order.

4448 [The information follows:]

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4449

4450 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

4451

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4452           \*Mr. Duncan. And thanks, guys. I look forward to  
4453 working with everyone on the committee as we move this draft  
4454 forward, and hopefully get to a markup.

4455           With that I yield back.

4456           [Whereupon, at 1:45 p.m., the subcommittee was  
4457 adjourned.]