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6 STRENGTHENING AMERICAN ENERGY:

7 A REVIEW OF PIPELINE SAFETY POLICY=

8 TUESDAY, JULY 22, 2025

9 House of Representatives,

10 Subcommittee on Energy,

11 Committee on Energy and Commerce,

12 Washington, D.C.

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16 The subcommittee met, pursuant to call, at 10:31 a.m. in  
17 Room 2322, Rayburn House Office Building, Hon. Robert E.  
18 Latta [chairman of the subcommittee], presiding.

19 Present: Representatives Latta, Weber, Palmer, Allen,  
20 Balderson, Pfluger, Harshbarger, Miller-Meeks, Fry, Lee,  
21 Rulli, Evans, Goldman, Fedorchak, Guthrie (ex officio);  
22 Castor, Peters, Menendez, Mullin, McClellan, DeGette, Matsui,  
23 Tonko, Veasey, Schrier, Fletcher, Ocasio-Cortez, Auchincloss,  
24 and Pallone (ex officio).

25 Staff Present: Ansley Boylan, Director of Operations;  
26 Clare Cargile, Professional Staff Member; Andrew Furman,  
27 Professional Staff Member; Sydney Greene, Director of Finance

28 and Logistics; Calvin Huggins, Clerk; Megan Jackson, Staff  
29 Director; Sophie Khanahmadi, Deputy Staff Director; Mary  
30 Martin, Chief Counsel; Ben Mullaney, Press Secretary; Peter  
31 Spencer, Senior Professional Staff Member; Matt VanHyfte,  
32 Communications Director; Jane Vickers, Press Assistant; Perry  
33 Hamilton, Minority Member Services and Outreach Manager;  
34 La'Zale Johnson, Minority Intern; Kristopher Pittard,  
35 Minority Professional Staff Member; Emma Roehrig, Minority  
36 Staff Assistant; Kylea Rogers, Minority Policy Analyst;  
37 Andrew Souvall, Minority Director of Communications,  
38 Outreach, and Member Services; and Tuley Wright, Minority  
39 Staff Director, ENG.  
40

41           \*Mr. Latta. The Chair calls the Subcommittee on Energy  
42 to order, and the Chair recognizes himself for five minutes  
43 for an opening statement.

44           And welcome to today's hearing, Strengthening American  
45 Energy: A Review of Pipeline Safety Policy. And I want to  
46 thank our witnesses for participating today.

47           We will examine the Pipeline and Hazardous Materials  
48 Safety Administration's -- PHMSA -- Pipeline Safety program.  
49 PHMSA is a Department of Transportation agency tasked with  
50 developing and enforcing Federal safety regulations for the  
51 nation's onshore pipeline infrastructure and the  
52 transportation of hazardous materials. The witnesses before  
53 us represent different segments of PHMSA's regulated  
54 community and can provide important perspectives on the  
55 reauthorization of PHMSA.

56           Pipelines are the safest and most efficient mode of  
57 transportation for oil, natural gas, liquid energy products,  
58 and hazardous materials, and they play an instrumental role  
59 in delivering the products that drive our nation's economy  
60 forward. The agency has about 3.3 million miles of pipelines  
61 under its purview. In order to ensure these pipelines are  
62 operated in a safe and reliable manner, PHMSA partners and  
63 coordinates with states to administer pipeline safety  
64 programs and inspect infrastructure within a state's  
65 boundaries.

66 PHMSA was last authorized in Protecting Our  
67 Infrastructure, Pipelines, and Enhancing Safety Act, the  
68 PIPES Act of 2020, through fiscal year 2023. It is my belief  
69 that we can work in a bipartisan fashion in this Congress  
70 with our House and Senate colleagues to reauthorize PHMSA to  
71 continue carrying out its mission and associated duties.  
72 This subcommittee has a responsibility to ensure PHMSA  
73 maintains a strong focus on safety and operates within its  
74 statutory authorities.

75 The PIPES Act of 2020 included several statutorily  
76 mandated rulemakings that never fully got out of the gate  
77 under the previous administration. Today the subcommittee  
78 will examine implementation of the PIPES Act to ensure that  
79 PHMSA is on track to carry out congressional intent in a cost  
80 effective and workable manner.

81 Additionally, the subcommittee will examine new  
82 challenges and opportunities for pipeline safety. For  
83 example, the replacement of aging infrastructure must be a  
84 top priority for PHMSA, states, and pipeline operators, but  
85 it presents costs and operational challenges. Especially as  
86 energy demand is projected to increase significantly in the  
87 immediate future, the upgrading of our natural gas network  
88 must be prioritized to ensure the safe transportation of  
89 natural gas and other important energy sources and products.

90 While substantial progress has been made in replacing

91 aging pipes, there are still work to be done. I look forward  
92 to the -- hearing from our witnesses on how PHMSA can help  
93 address the remaining one percent of the iron distribution  
94 pipes.

95 American innovations and net -- new technologies like  
96 artificial intelligence technology also present opportunities  
97 to bolster the quality of risk assessments and advance safety  
98 towards our collective goal of zero incidents. However,  
99 these technologies will also pose challenges to information  
100 and operational security. It is important that PHMSA  
101 reauthorization gives the agencies the tools needed to have  
102 an effective approach for the opportunities and challenges  
103 ahead.

104 In his confirmation hearing last week, Paul Roberti,  
105 President Trump's nominee for PHMSA administrator, committed  
106 to pursuing opportunities to utilize new, cost-effective  
107 technologies to enhance safety. The subcommittee hopes to  
108 collaborate with PHMSA and pipeline operators in this  
109 endeavor.

110 As we look at the reauthorization that must prioritize  
111 the improvements -- the agency's core responsibility, which  
112 is safety. I am concerned that the previous administration  
113 advanced extraneous priorities and set safety onto the side.  
114 However, President Trump's Administration has recommitted  
115 committed to this critical mission, and I believe this

116 committee can produce a reauthorization that maintains safety  
117 as a cornerstone of pipeline safety -- of the pipeline safety  
118 program.

119 Pipelines are imperative to public safety and the energy  
120 security of our nation. I look forward to hearing from the  
121 pipeline operators today as we build on American energy  
122 leadership.

123 And I want to thank again our witnesses for being here  
124 today.

125 [The prepared statement of Mr. Latta follows:]

126

127 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

128

129           \*Mr. Latta. And I yield back and at this time recognize  
130 the gentlelady who -- the -- from the 14th district of  
131 Florida, who is the vice -- or, I am sorry, the ranking  
132 member of the subcommittee, for five minutes for an opening  
133 statement.

134           \*Ms. Castor. Well, thank you, Mr. Chairman, and good  
135 morning, everyone.

136           Today's hearing is an important reminder of the role of  
137 this committee, of ensuring the safety of the public and our  
138 energy infrastructure.

139           Congress created the Pipeline and Hazardous Materials  
140 Safety Administration in 2004, and we charged it with  
141 ensuring the safety of nearly 3.3 million miles of pipelines  
142 across the country.

143           Now, pipelines can be dangerous. There are many  
144 hundreds of pipeline safety incidents every year, many that  
145 result in death and injury. That is why PHMSA's work in  
146 setting safety standards and inspecting interstate pipelines  
147 is critical. For years, Democrats have been focused on  
148 ensuring that PHMSA has adequate resources and a strong  
149 professional workforce.

150           After a number of deadly accidents and the growing  
151 magnitude of aged, leaky, and unsafe pipelines, Congress  
152 passed the PIPES Act of 2020 to improve the safety of gas  
153 gathering lines and pipelines, while also addressing wasteful

154 and dangerous methane gas leakages. Congress followed on in  
155 2021 in the Infrastructure Investment and Jobs Act, and  
156 allocated \$1 billion over 5 years for natural gas  
157 distribution, infrastructure safety, and modernization grants  
158 to help replace leak-prone pipelines.

159 I noticed in your opening, Mr. Chairman, you said the  
160 Trump Administration is very committed to safety. Oh, no.  
161 To the contrary, the Trump Administration has halted those  
162 safety and modernization grants earlier this year. But  
163 multiple lawsuits were filed by states, non-profits, and  
164 local communities challenging the freeze. And on April 17 a  
165 Federal judge ordered the Trump Administration to reinstate  
166 funding, ruling that the freeze was arbitrary and capricious,  
167 and violated the law. The Department of Energy and EPA were  
168 required to resume disbursement of already-awarded safety  
169 grant funds.

170 The Trump Administration also is failing to follow  
171 through on other pipeline safety initiatives, even though the  
172 Congress has been clear that we expect PHMSA to conduct  
173 robust reviews of pipeline maintenance and operation plans.  
174 When Congress reauthorized PHMSA's Office of Pipeline Safety  
175 in the bipartisan PIPES Act, we required PHMSA to consider  
176 protection of the environment when reviewing proposed safety  
177 rules, including methane pollution leak detection. The  
178 former administration completed a final leak detection rule,

179 but President Trump arbitrarily demanded that PHMSA withdraw  
180 it. That is not smart. Climate risk, cost, and harms are  
181 growing in severity, and PHMSA's work is only becoming more  
182 important. Climate-fueled extreme weather events can cause  
183 pipeline leaks and explosions, especially in high-risk states  
184 like Texas and Louisiana.

185 We must ensure that all impacts are considered in  
186 siting, design, repair, and maintenance of oil and gas  
187 infrastructure, including pipelines. Unfortunately, rather  
188 than follow the law mandated by Congress, the Trump  
189 Administration's PHMSA is taking a laissez faire approach to  
190 pipeline safety, and this is dangerous and costly.

191 To add insult to injury, the Trump Administration has  
192 gutted PHMSA over the past seven months. Enforcement actions  
193 by the agency are at record lows, just 5 cases in the first 3  
194 months of this year, compared to 66 cases during the same  
195 time period in 2017. And get this, more than half of the  
196 agency's senior leadership has left.

197 We are seeing this kind of sabotage over and over again  
198 from the Trump Administration, and it is really putting  
199 Americans at risk. For example, my neighbors back home in  
200 Florida are less safe this hurricane season because of cuts  
201 at the National Weather Service. They have ended vital  
202 satellite forecasting initiatives and have left offices  
203 understaffed.

204           At FERC the President has asked the existing chair, who  
205 he appointed the first time around, to resign early and then  
206 nominated a new chair who doesn't have any energy background.  
207 These actions jeopardize FERC independence and make our  
208 energy systems less safe.

209           At the Nuclear Regulatory Commission President Trump has  
210 fired a safety commissioner and pushed executive orders that  
211 threaten NRC independence. And just last week Trump fired  
212 nearly every member of the U.S. Nuclear Waste Technical  
213 Review Board. So at every opportunity that Trump is cutting  
214 corners with safety, and undermining energy independent --  
215 agency independence.

216           And folks, this is not normal, and I urge my Republican  
217 colleagues on this committee to stand up to this reckless  
218 gutting of independent agency experts and abdication of the  
219 laws that keep us safe. Americans want safe and affordable  
220 energy, but we know we are going to be grappling with the  
221 higher costs of the big, ugly bill. I hope we can talk a  
222 little bit about that today.

223           Mr. Chairman, hope springs eternal. Nevertheless, this  
224 could be the start of a good bipartisan dialog to reauthorize  
225 pipeline safety and address some of the issues in this  
226 committee.

227

228

229 [The prepared statement of Ms. Castor follows:]

230

231 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

232

233           \*Ms. Castor. So thank you very much, and I yield back.

234           \*Mr. Latta. Thank you. The gentlelady's time has  
235 expired, and the chair now recognizes the chair of the full  
236 committee, the gentleman from Kentucky's 2nd district, for  
237 five minutes for an opening statement.

238           \*The Chair. Thank you, Chairman Latta, and thank you to  
239 our witnesses for being here today. We appreciate it.

240           Pipelines are critical to the safe transportation and  
241 distribution of oil, natural gas, and other energy products,  
242 along with hazardous liquid products. As demand for energy  
243 is projected to skyrocket over the next decade, we must  
244 ensure our nation's pipeline safety laws are ready to meet  
245 the moment.

246           The Energy and Commerce Committee plans an important --  
247 plays an important role in the reauthorizing of Pipeline and  
248 Hazardous Materials Safety Administration's, PHMSA, pipeline  
249 safety program. Under the new leadership of Chair Latta and  
250 myself, I hope we can work in a bipartisan manner. As my  
251 friend from Florida said, we will work to do that in this  
252 effort.

253           PHMSA oversees the U.S. energy pipeline network of over  
254 3.3 million miles of onshore pipelines. To accomplish this  
255 task, PHMSA partners with states to ensure the entire network  
256 is safely operated and maintained. According to a 2019 PHMSA  
257 report, pipelines delivered 180 million gallons of energy per

258 safety incident, while trucks delivered only 55 million  
259 gallons of safety incident [sic] and trains only -- trucks  
260 55, states -- trains only 50.

261 Over the last 20 years serious pipeline incidents have  
262 been reduced by approximately 34 percent. To continue this  
263 downward trend, PHMSA must operate within its statutory  
264 authority and maintain its focus on public safety.  
265 Unfortunately, under the previous administration PHMSA  
266 strayed from this core responsibility, focusing more on  
267 environmental agendas than safety. The current PHMSA has a  
268 busy docket, promulgating and finalizing statutory mandated  
269 regulations; updating regulations that are decades old; and  
270 refocusing the agency on its essential mission.

271 Today's hearing will provide an important foundation the  
272 committee -- as the committee examines the status of  
273 outstanding rulemaking from the PIPES Act of 2020, ways to  
274 close penalty loopholes for pipeline vandalism, opportunities  
275 to streamline processes, and the role emerging technologies  
276 can play in mitigating risk and increasing efficiencies  
277 across the pipeline system.

278 I believe a major consideration for the future of  
279 pipeline safety is ensuring adequate capacity is available.  
280 As operators work to replace aging infrastructure, we must  
281 have capacity available to take pipelines temporarily offline  
282 for upgrades and repairs while still meeting the needs of

283 American consumers.

284 Pipelines are essential to the energy security of our  
285 country. I look forward to working with Chair Latta and  
286 Ranking Members Pallone and Castor to strengthen our nation's  
287 pipeline network.

288 [The prepared statement of The Chair follows:]

289

290 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

291

292           \*The Chair. And thank you, and I will yield back.

293           \*Mr. Latta. Thank you. The gentleman yields back. And  
294 seeing if the ranking member of the full committee is here --  
295 okay. Well, at this time what we will do, we will informally  
296 pass on the ranker's opening statement and go right to our  
297 witnesses today. But this concludes the member opening  
298 statements, and the Chair reminds members that, pursuant to  
299 the committee rules, all members' opening statements will be  
300 made part of the record.

301           We want to thank all of our witnesses for being here  
302 today and taking the time to testify before the subcommittee.  
303 Each witness will have the opportunity to give an opening  
304 statement, followed by a round of questions from the members.

305           Our witnesses for today are Mr. Andrew Black, the  
306 president and CEO at the Liquid Energy Pipeline Association;  
307 Ms. Sarah Miller, president and CEO at GPA Midstream; Mr.  
308 Bill Caram, the executive director of Pipeline Safety Trust;  
309 and Mr. Jim Moriarty, the executive vice president and  
310 general counsel at the Chesapeake Utilities Corporation.

311           And again, as I mentioned, the chair appreciates all of  
312 our witnesses appearing before us today, and you will each be  
313 given five minutes for an opening statement.

314           And just a quick update on our mics here, that you have  
315 to pull them up close so they can hear you. Press the  
316 button, and hopefully you will see a little light come on.

317 Sometimes it is kind of difficult to see.

318 Oh, and you know what? Before we do, since we formerly  
319 passed on the ranker, we will hear from the ranker first and  
320 then go right to the witnesses. So the gentleman from New  
321 Jersey is recognized for five minutes for an opening  
322 statement.

323 \*Mr. Pallone. I am sorry, Mr. Chairman. I came right  
324 up from the other hearing, but I guess they are all happening  
325 too quickly. Let me see what I have here. It has been 661  
326 days since the last pipeline safety reauthorization expired,  
327 so I am glad we are here today because there is a lot to talk  
328 about.

329 Pipeline safety risks are just as prevalent as ever.  
330 But since President Trump took office, enforcement action  
331 against pipeline operators by the Pipeline and Hazardous  
332 Materials Safety Administration, or PHMSA, have fallen off a  
333 cliff. In fact, it has been so long since we have had a  
334 hearing, I haven't used the word PHMSA much. It is not  
335 because pipelines have somehow magically gotten safer since  
336 January 20, but instead it is because the Trump  
337 Administration is once again prioritizing profits for their  
338 favorite industries over the safety of the American people.  
339 And that is why Trump is forcing out the public servants that  
340 helped to keep our pipelines safe is so wrong.

341 Nearly all of PHMSA's top staff have left the agency,

342 and dozens of employees have either been forced out or been  
343 paid to leave. And the Trump Administration is simply  
344 letting the agency bleed out talent that was vital to keeping  
345 Americans safe.

346 And the Trump Administration isn't just haphazardly  
347 enforcing law at PHMSA. Sometimes it is not following the  
348 law at all. The last reauthorization signed by President  
349 Trump required that PHMSA issue a final rule improving leak  
350 detection in gas pipelines. PHMSA finalized that rule in  
351 January, in the final days of the Biden Administration, but  
352 the Trump Administration clawed it back from the printer  
353 before it could even be published. It did the same thing  
354 with the proposed rule on the safety for carbon dioxide  
355 pipelines which was required by pipeline safety legislation  
356 over a decade ago.

357 So PHMSA has even ignored basic transparency  
358 requirements that it publish monthly updates on its progress  
359 on finalizing rules and regulations required by law. All of  
360 this is clear that the Trump Administration has no interest  
361 in following the law, and that is why it is so important that  
362 this committee worked together on pipeline safety  
363 reauthorization not just across the aisle here, but with our  
364 colleagues on the House Transportation and Infrastructure  
365 Committee and the Senate Commerce Committee.

366 We must ensure that pipelines are safe, and that the

367 Administration and pipeline operators are following the law.  
368 If Republicans want to pass a pipeline safety reauthorization  
369 package this Congress, I would urge them not to follow the  
370 process that committee Republicans used last Congress.  
371 Committee Republicans insisted on a legislative hearing and  
372 markup on a bipartisan bill that cut authorized funding  
373 levels by nearly 20 percent and had several poison pill  
374 provisions completely unrelated to safety. They also refused  
375 to engage with the Transportation Committee on compromise  
376 legislation and, as a result, never even moved a bill to the  
377 floor.

378 In short, Republicans should not follow that same  
379 playbook. As we look to reauthorize the pipeline safety  
380 program, it is important that we focus on safety. Committee  
381 Republicans should not try to gut bipartisan programs we  
382 established in our last bill. It is also critical that we  
383 give PHMSA the resources and tools we know it needs to keep  
384 us all safe.

385 So finally, because this is our first Energy  
386 Subcommittee hearing since Republicans passed their big, ugly  
387 bill, I wanted to briefly talk about the harm that that bill  
388 will cause American families.

389 We heard testimony from countless Republican witnesses  
390 throughout the first half of this year begging Republicans  
391 not to cut vital tax incentives for clean energy or energy

392 affordability programs from the Inflation Reduction Act.  
393 They also pleaded with Republicans to stay away from cutting  
394 the efforts by the Loan Program Office to keep our energy  
395 competitive, especially looking at nuclear power. And  
396 Republicans ignored all of these experts' pleas. And now, as  
397 a result, power bills for American families will rise by up  
398 to \$400 per year, reliability will be undermined, the risk of  
399 blackouts will go up, and the climate crisis will get worse.

400 So Republicans' dangerous energy agenda is basically  
401 pickpocketing working families to give handouts to the rich,  
402 including the big oil and gas corporations who are among the  
403 only ones that stand to benefit from it.

404 Now, I just wanted to say, Mr. Chairman, this pipeline  
405 safety issue is very important to me. We had an incident  
406 many years ago when I was in Congress. We had a major  
407 explosion in our district. Certainly in New Jersey we are  
408 all very concerned about pipeline safety. And we -- you  
409 know, and so I just think that, you know, ignoring all this  
410 and just cutting all the people, and getting all the --  
411 getting rid of all the people that work there, it is just a  
412 terrible thing. I don't understand why pipeline safety can't  
413 be bipartisan. It always was in the past. Maybe I am old  
414 fashioned and, you know, nothing is bipartisan anymore. But  
415 the bottom line is this really should be. I mean, people  
416 care about it, and we should care about it, as well.

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

418

419 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

420

421           \*Mr. Pallone. With that I yield back, Mr. Chairman.

422           \*Mr. Latta. Thank you very much. The gentleman yields  
423 back the balance of his time. And at this time, again, we  
424 will go back to our witnesses.

425           And as I mentioned, just pull the mic up close. Press  
426 that button, and you will see that when you hit the four-  
427 minute mark it will go yellow with the lights up front, which  
428 means you have a minute to conclude your statement, and the  
429 red is at five minutes.

430           So with that, Mr. Black, you are recognized for five  
431 minutes for your opening statement.

432

433 STATEMENTS OF ANDREW J. BLACK, PRESIDENT AND CHIEF EXECUTIVE  
434 OFFICER, LIQUID ENERGY PIPELINE ASSOCIATION; SARAH MILLER,  
435 PRESIDENT AND CHIEF EXECUTIVE OFFICER, GPA MIDSTREAM  
436 ASSOCIATION; BILL CARAM, EXECUTIVE DIRECTOR, PIPELINE SAFETY  
437 TRUST; AND JIM MORIARTY, EXECUTIVE VICE PRESIDENT, GENERAL  
438 COUNSEL AND CHIEF POLICY AND RISK OFFICER, CHESAPEAKE  
439 UTILITIES CORPORATION

440

441 STATEMENT OF ANDREW J. BLACK

442

443       \*Mr. Black. Thank you, Chairman, Ranking Member. I am  
444 Andy Black, president and CEO of the Liquid Energy Pipeline  
445 Association. We have over 50 member companies delivering  
446 over 20 billion barrels annually across a nearly 230,000-mile  
447 network of pipelines.

448       America is blessed with abundant energy supplies.  
449 Expanding American energy production will send new supply to  
450 market and pressure prices downward.

451       The Energy and Commerce Committee has an important role  
452 in ensuring our pipeline network is safe, allowing us to  
453 confidently expand our energy infrastructure.

454       Liquid energy pipelines deliver transportation fuels  
455 like gasoline, diesel, and jet fuel that families, commuters,  
456 businesses, and travelers use to drive and fly where they  
457 need to go. Pipelines deliver feed stocks like crude oil,

458 ethane, and butane to make everything from plastics to  
459 pharmaceuticals, cosmetics, paints, fabrics, and fuels.  
460 Rural home and agricultural fuels like propane delivered by  
461 pipeline before traveling locally by truck heat rural homes  
462 and farms, dry crops after harvest, and keep livestock barns  
463 warm throughout the winter.

464         As this committee considers the role of pipeline  
465 infrastructure and what changes to make to Federal pipeline  
466 safety laws, it is important to remember that pipelines are  
467 the safest way to deliver energy. More than 99.999 percent  
468 of crude oil and petroleum products delivered by pipeline  
469 reaches its destination safely. A report prepared for  
470 Congress -- to Congress by PHMSA found that pipelines were 13  
471 times safer than both trains and trucks. Current pipeline  
472 incident statistics also show pipeline safety is improving  
473 further. According to publicly-available PHMSA data, total  
474 liquid pipeline incidents are down 13 percent over the last 5  
475 years. Incidents impacting people and the environment are  
476 also down 13 percent over the last 5 years. And when  
477 comparing incidents to volume delivered, the decrease is even  
478 more striking, with liquid pipeline incidents per barrel  
479 delivered down 33 percent over those 5 years.

480         These safety metrics are available in the Pipeline  
481 Performance Report and Pipeline Excellence Strategic Plan.  
482 In this report you can see how the liquid pipeline industry

483 is addressing key challenges like corrosion, leak detection,  
484 and geohazards. You can see how operators are improving  
485 pipeline safety by harnessing new technologies, artificial  
486 intelligence, safety management systems, and recommended  
487 practices.

488 Declining pipeline incidents over the last five years  
489 supports a measured approach to reauthorizing pipeline safety  
490 laws without major changes or mandates. LEPA does believe  
491 there is a role for Congress to encourage PHMSA to leverage  
492 technology for pipeline safety, support American energy  
493 development through safe pipelines, and improve the  
494 effectiveness and efficiency of PHMSA programs.

495 Congress can do more to modernize pipeline safety  
496 programs. Key parts of PHMSA's safety regulations are over  
497 20 years old and do not reflect the latest advances in  
498 safety, technology, or know-how. High-tech analytic tools  
499 like an MRI or an ultrasound you find in the doctor's office  
500 are available for pipeline safety. Analytic methods like  
501 machine learning and artificial intelligence can help  
502 operators digest data to show when a pipeline might be  
503 leaking or when it might need maintenance.

504 This Administration is off to a good start, promoting  
505 long-needed reforms to PHMSA. PHMSA has announced changes  
506 that will improve transparency and issued several notices on  
507 important proposals. PHMSA announced regulatory actions to

508 improve special permits, update incident reporting  
509 thresholds, and integrate remote sensing technologies for  
510 monitoring rights-of-way patrols. LEPA believes Congress can  
511 make some of these reforms permanent and provide the agency  
512 additional personnel with STEM expertise and pipeline  
513 operations experience.

514         Six of the specific pipeline safety reauthorization  
515 provisions LEPA would welcome include reform PHMSA's special  
516 permit program permanently to impose decision deadlines and  
517 limit unrelated requirements; strengthen penalties for  
518 pipeline safety violations that impair operational facilities  
519 or damaged construction sites; fulfill the 2020 congressional  
520 mandate of a safety program for idled pipelines; reauthorize  
521 without extraneous conditions a technology demonstration  
522 pilot program; authorize a voluntary information sharing  
523 program to convene stakeholders to collaborate on safety  
524 initiatives similar to FAA's successful program; and  
525 authorize risk-based inspections of in-service breakout tanks  
526 to reduce unnecessary greenhouse and air pollutant emissions,  
527 worker safety threats, and hazardous waste. More  
528 recommendations are listed in my written testimony.

529         Thank you again for the committee's support of pipeline  
530 energy infrastructure and the opportunity to testify you --  
531 before you today on the benefits of pipelines, including  
532 their safety. Thank you.

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

534

535 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

536

537           \*Mr. Latta. Well, thank you very much.

538           And Ms. Miller, you are now recognized for five minutes  
539 for an opening statement.

540

541 STATEMENT OF SARAH MILLER

542

543 \*Ms. Miller. Chairman Latta, Ranking Member Castor, and  
544 members of the subcommittee, thank you for the opportunity to  
545 testify today on behalf of GPA Midstream Association. My  
546 name is Sarah Miller, and I serve as the president and CEO of  
547 GPA Midstream, an organization that has represented the U.S.  
548 midstream energy sector since 1921.

549 Safety of employees, contractors, and communities is the  
550 highest priority for GPA Midstream member companies. Our  
551 nearly 50 corporate members are responsible for the safe and  
552 efficient gathering, processing, transporting, and marketing  
553 of natural gas, natural gas liquids, crude oil, and refined  
554 products. Our members directly employ over 57,000  
555 individuals and indirectly support more than 600,000 jobs  
556 across the U.S. economy. In 2023 GPA Midstream members  
557 contributed over \$206 billion in economic impact, operating  
558 more than 506,000 miles of pipeline and over 365 natural gas  
559 processing facilities. Our members are an invisible link  
560 between raw natural gas and crude oil produced at the  
561 wellhead and distribution of products to consumers for  
562 heating, electricity production, transportation, steelmaking,  
563 fertilizer production, plastics, high-tech devices,  
564 cosmetics, pharmaceuticals, and much more.

565 The U.S. Energy Information Administration projects that

566 U.S. production and consumption of natural gas and petroleum,  
567 which includes NGLs, will remain strong through at least  
568 2050. Similarly, Rice University's Baker Institute projects  
569 natural gas and crude will sustain a steady share of the  
570 global energy mix also through 2050. That is to say that it  
571 remains essential to continue our focus on pipeline safety  
572 for existing and new pipeline infrastructure to assure we can  
573 meet energy demands in the U.S. and around the world.

574 GPA Midstream members support reauthorization of PHMSA's  
575 pipeline safety programs, with the goal to ensure pipelines  
576 remain the safest method for transporting affordable,  
577 reliable, and sustainable energy while also facilitating  
578 innovation and efficiency. We seek legislative and  
579 regulatory predictability and certainty to enable prudent  
580 investment decisions for the benefit of communities and  
581 investors alike. Our members advocate many goals for the  
582 reauthorization of PHMSA's pipeline safety program, including  
583 several reflected in this committee's bill from the last  
584 congressional session.

585 Specifically, our members appreciate improved due  
586 process enforcement -- in enforcement matters; reform of the  
587 special permit program; strengthening penalties for those who  
588 damage infrastructure; and the recognition of opportunity for  
589 innovation and alternative technologies. Today I offer three  
590 recommendations especially meaningful to our members.

591           First, we urge elimination of duplicative oversight of  
592 in-plant plant gas piping. Hazardous liquid in plant gas  
593 piping -- I am sorry, hazardous liquid in-plant piping is  
594 exempt by law from PHMSA's regulation, but the regulation of  
595 in-plant -- of gas in-plant piping is not. In-plant piping  
596 is within the jurisdiction of other robust safety programs  
597 such as OSHA's Process Management Standards. Aligning the  
598 treatment of gas and liquid and in-plant piping would  
599 eliminate regulatory redundancy without compromising safety.  
600 We are grateful to PHMSA for recognizing such redundancy and  
601 issuing a notice to proposed rulemaking to codify an  
602 exception for in-plant piping systems into the gas pipeline  
603 safety regulations. We also seek legislative certainty for  
604 the elimination of such redundancy.

605           Second, in recent years there have been more rulemakings  
606 aimed at gathering pipelines. The physical and commercial  
607 operations of gathering pipelines can differ greatly from  
608 transmission pipelines. Therefore, we request the Gas  
609 Pipeline Advisory Committee facilitate greater input from  
610 gathering pipeline operators for more effective gathering  
611 pipeline safety regulations.

612           Third, we encourage the use of more performance-based  
613 measures and less prescriptive regulations to achieve safety  
614 goals. Performance-based measures consider relevant  
615 operating conditions and assess risks to achieve meaningful

616 safety priorities. Performance-based measures will also  
617 facilitate a longer-term reauthorization period for PHMSA's  
618 programs, as they allow for evolving technological  
619 advancement and best practices proven by time and experience  
620 to achieve safety.

621 In conclusion, GPA Midstream is committed to working  
622 with Congress and PHMSA to ensure the continued safety and  
623 reliability of our nation's energy infrastructure. We  
624 appreciate your leadership on this important issue, and stand  
625 ready to serve as a resource as you move forward with  
626 reauthorization. Thank you.

627 [The prepared statement of Ms. Miller follows:]

628

629 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

630

631           \*Mr. Latta. Well, thank you very much for your opening  
632 statement.

633           Mr. Caram, you are recognized for five minutes.

634

635 STATEMENT OF BILL CARAM

636

637 \*Mr. Caram. Good morning, Chair, Ranking Member, and  
638 members of the subcommittee. I am Bill Caram, executive  
639 director of the Pipeline Safety Trust which was created after  
640 the 1999 Olympic pipeline tragedy in Bellingham, Washington  
641 that killed three boys. We serve as an independent national  
642 watchdog over the pipeline industry and its regulators.

643 On average, a significant pipeline incident occurs every  
644 32 hours in America, nearly one every day. Since this  
645 subcommittee's last pipeline safety hearing last year in  
646 January 2024, 18 people have been killed and 45 hospitalized  
647 from pipeline incidents. The past 2 years have been the  
648 deadliest in nearly 15 years, with 30 deaths, including a 5-  
649 year-old in Missouri, a 15-year-old in Utah, and an 82-year-  
650 old pastor's wife in Mississippi. Our shared goal of zero  
651 incidents feels unreachable when we haven't yet been able to  
652 prevent these tragic deaths.

653 Looking at pipeline safety metrics over the last 10  
654 years or longer doesn't show that we are making progress.  
655 The number of significant incidents each year remains  
656 frustratingly flat. Other metrics, such as incidents  
657 impacting people or the environment, display a slight  
658 downward trend, so slight that statisticians would say could  
659 easily be due to chance rather than actual improvement. And

660 while we did make meaningful progress on fatalities in the  
661 previous decade, the last decade shows a slight upward trend,  
662 though like other metrics not statistically significant.

663 Pipeline failures don't just kill and injure people and  
664 damage ecological areas; they cost billions and disrupt  
665 energy supplies. Over the last 10 years pipeline incidents  
666 have been reported by operators to cost over \$6 billion.  
667 Incidents on pipelines such as Colonial's refined products  
668 pipeline that supplies the East Coast with 45 percent of its  
669 liquid energy have put critical energy reliability at risk.

670 But the same solutions that save lives and protect our  
671 environment also strengthen our economy and energy security.  
672 Making a meaningful difference on pipeline safety will  
673 require three elements: improved regulations, effective  
674 enforcement, and widespread adoption of pipeline safety  
675 management systems, or PSMS.

676 In many cases, Congress has hamstrung PHMSA from  
677 developing effective regulations. Provisions in the pipeline  
678 safety statute like the extra burdensome cost benefit  
679 requirement and the non-application clause make it extremely  
680 difficult for PHMSA to develop lifesaving regulations.

681 Despite these limitations, there are ways to make a  
682 meaningful difference on pipeline safety. For example, as  
683 recently recommended by the NTSB, natural gas alarms or  
684 methane detectors would undoubtedly save lives. Incidents in

685 Japan have declined by 90 percent alongside the adoption of  
686 these alarms.

687 Another idea is fire shut-off valves. These simple  
688 devices automatically closed when exposed to heat, preventing  
689 gas from fueling house fires. They are inexpensive,  
690 maintenance-free, and easily installed.

691 We need modernized regulations for carbon dioxide and  
692 hydrogen blended pipelines. Congress has incentivized this  
693 infrastructure without addressing the regulatory and research  
694 gaps that put communities on the front lines of significant  
695 safety risks. This year marks five years since the Denbury  
696 carbon dioxide pipeline failure in Satartia, Mississippi that  
697 sent nearly 50 people to the hospital. That harrowing night  
698 laid bare many of the risks and regulatory shortfalls with  
699 these pipelines.

700 Increasing authorized resources to PHMSA is also  
701 necessary. Not only has the agency been chronically  
702 underfunded, but the additional miles of jurisdictional pipe  
703 and the potential build-out of carbon dioxide and hydrogen  
704 pipelines demands an increase in resources from Congress both  
705 to the agency and, just as significantly, to the state  
706 programs.

707 But even the best regulations are meaningless without  
708 robust enforcement. Recently, enforcement case initiations  
709 have declined drastically, down nearly 65 percent compared to

710 this point in the first Trump Administration. According to a  
711 recent PHMSA report to Congress on the adoption of PSMS, or  
712 Pipeline Safety Management Systems, among gas distribution  
713 operators, while most pipeline mileage is owned by operators  
714 committed to PSMS, only half of all operators have made this  
715 commitment. To improve safety we need industry-wide  
716 adoption: all systems, all operators, large and small.

717 As you discuss how to move forward on authorizing  
718 PHMSA's pipeline safety program and make improvements to the  
719 law, I implore you to think of the empty seats at dinner  
720 tables across the country because of pipeline failures.  
721 Eighteen dinner tables are missing someone just since last  
722 year's pipeline safety hearing alone. Please ensure PHMSA  
723 meets its responsibility to the American people. Thank you.

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

725

726 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

727

728           \*Mr. Latta. Well, thank you very much for your opening  
729 statement.

730           And Mr. Moriarty, you are recognized for five minutes  
731 for an opening statement.

732

733 STATEMENT OF JIM MORIARTY

734

735           \*Mr. Moriarty. Thank you. Good morning, Chairman  
736 Latta, Ranking Member Castor, and members of the  
737 subcommittee. I am Jim Moriarty, executive vice president  
738 and general counsel of Chesapeake Utilities Corporation. I  
739 want to thank you for the opportunity to appear today.

740           We are a diversified energy delivery company  
741 headquartered in Delaware, with service offerings that  
742 include natural gas gathering, transmission, and  
743 distribution, as well as propane, mobile compressed natural  
744 gas services, and electricity generation and distribution.  
745 Our company has operated for more than 160 years, and today  
746 owns and operates assets in 9 states, serving over 440,000  
747 customers with over 1,200 dedicated employees.

748           Natural gas infrastructure plays an integral role in the  
749 national security and economic sovereignty of our country,  
750 and the demand for this domestic resource will only increase  
751 in the coming years. As a key part of this nation's pipeline  
752 infrastructure, our subsidiaries distribute natural gas to  
753 more than 330,000 customers through over 9,000 miles of  
754 pipeline. We also operate over 700 miles of transmission  
755 pipelines, a liquefied natural gas storage facility, and a  
756 renewable gas transportation fleet.

757           Across the country, varying local and state mandates

758 have created a complex and patchwork regulatory landscape  
759 that complicates planning, increases cost, and ultimately  
760 affects consumer choice and pipeline safety. A unified  
761 Federal approach modeled after laws already enacted in 27  
762 states that protect the customer's right to choose natural  
763 gas as their primary energy source would provide clarity,  
764 prevent regulatory fragmentation, and ensure that safe,  
765 reliable, and affordable domestic energy remains accessible  
766 to all Americans.

767         Natural gas utility distribution pipelines are the final  
768 critical link in the delivery chain as we engage daily with  
769 American families, communities, and businesses, as well as  
770 state authorities who oversee pipeline safety today. We  
771 strive to make life better for the communities in which we  
772 live and serve. Accordingly, pipeline safety is and must be  
773 our number-one priority. For these reasons we are focused on  
774 continually enhancing our culture of operational safety and  
775 risk mitigation.

776         Every year our company, like many others, invests in our  
777 pipeline systems, spending hundreds of millions of dollars to  
778 enhance safety, reliability, and accessibility. For example,  
779 our distribution system has been modernized by eliminating  
780 cast iron and bare steel. Across our service areas we are  
781 performing advanced leak detection and incorporating a  
782 variety of new and innovative technologies to consistently

783 prevent safety incidents.

784 Chesapeake Utilities and other natural gas distribution  
785 companies support the following principles in the upcoming  
786 pipeline safety reauthorization legislation.

787 First, streamline processes to meet energy demands on  
788 schedule by ensuring policies reflect the growing need for  
789 natural gas and the critical role that pipeline  
790 infrastructure plays.

791 Two, limit safety incidents, property damage, and  
792 environmental impacts caused by unintended excavation  
793 damages.

794 Three, strengthen criminal penalties on those who  
795 sabotage or intentionally damage pipeline facilities.

796 Four, identify emerging technologies that improve  
797 safety.

798 Five, study safe operations for natural gas and hydrogen  
799 blending and distribution systems.

800 And six, establish a five-year reauthorization period so  
801 that PHMSA and the industry have sufficient time to complete  
802 and assess improvements.

803 Our industry has proved we can expand natural gas  
804 delivery while also improving safety. Doing so enables us to  
805 continue to meet the needs of our customers and the  
806 communities that we proudly serve by delivering safe,  
807 affordable, and reliable domestic energy so that no one is

808 left behind. Thank you.

809 [The prepared statement of Mr. Moriarty follows:]

810

811 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

812

813           \*Mr. Latta. Well, thank you very much for your opening  
814 statement, and that will conclude our opening statements from  
815 our witnesses. And again, I want to thank you all for being  
816 with us today. And at this time I will recognize myself for  
817 five minutes to our -- questions to our witnesses.

818           Ms. Miller, do you believe that PHMSA's primary mission  
819 as a regulator should be safety?

820           \*Ms. Miller. I do.

821           \*Mr. Latta. And would you explain why pipelines have a  
822 net positive effect on the environment?

823           \*Ms. Miller. Well, as you've heard from other witnesses  
824 -- and first I should say thank you, Chairman, for the  
825 question -- but as you have heard from other witnesses as  
826 well, pipelines are the cleanest and safest way to move  
827 energy. The demand for affordable, reliable, and safe,  
828 sustainable energy sources is growing, and natural gas is  
829 abundant in the United States. So with appropriate  
830 regulatory policy, natural gas can -- and the pipelines that  
831 the midstream operators design, install, and operate can be  
832 the way that safe, affordable, reliable energy is delivered  
833 to the communities that need it.

834           I would note that the U.S. Energy Information  
835 Administration has reported that natural gas results in fewer  
836 emissions for -- than using coal or petroleum products to  
837 deliver the same energy. Therefore, when you use natural gas

838 through pipelines in place of coal or other petroleum  
839 products, you are actually enabling communities worldwide to  
840 have reliable, affordable energy sources to enable a higher  
841 quality standard of living safely.

842         And our members, on top of all that, our members are  
843 prioritizing safety, and they are looking for ways to ensure  
844 that their pipelines do not have leaks, lost or emitted gas  
845 -- lost gas is actually lost profit, lost value for our  
846 members, so they are not only incentivized to ensure that  
847 natural gas pipelines are operated safely, but -- they also  
848 deliver an environmental benefit because it is the right  
849 thing to do, but also because they are financially  
850 incentivized to ensure that that product stays in the pipe.

851         \*Mr. Latta. Well, thank you.

852         Mr. Moriarty, 40 percent of electric generation in the  
853 United States comes from natural gas. Electricity demand in  
854 the United States is projected to increase more than 25  
855 percent in the next 5 years, in part because of the race for  
856 AI and the offshoring of manufacturing. That means we are  
857 going to need more natural gas, which will require  
858 significant infrastructure build-out, including the expansion  
859 of pipeline infrastructure. Could you elaborate on how  
860 pipeline constraints impact and ultimately jeopardize safety?

861         \*Mr. Moriarty. Thank you, Mr. Chairman.

862         States that allow prompt regulatory recovery of the

863 costs for the replacement and relocation of pipelines will  
864 accelerate the upgrading of aging infrastructure. We have  
865 these regulatory mechanisms in Florida and in Maryland and  
866 Delaware.

867         Also, excavation damage is the primary source of  
868 distribution pipeline incidents, and hampers operations and  
869 efforts to upgrade aging infrastructure. States that have  
870 strong excavation damage prevention programs and enforcement  
871 typically experienced lower rates of damage to distribution  
872 pipelines.

873         \*Mr. Latta. Well, thank you.

874         Mr. Black, the PIPES Act of 2020 recognized the value of  
875 using new technologies to bolster both efficiency and safety.  
876 However, DoE's implementation of the program had many non-  
877 statutory requirements that ultimately deterred  
878 participation. Would you elaborate on what some of those  
879 non-statutory hurdles were and are?

880         \*Mr. Black. Thank you for your leadership on this issue  
881 in the 2020 PIPES Act and in last Congress's bill, and we  
882 hope that we can continue to work on this issue.

883         The Technology Demonstration Pilot program gives us an  
884 opportunity to demonstrate how new technologies can improve  
885 pipeline safety. PHMSA went beyond the safeguards that  
886 Congress suggested, and required technology pilot program  
887 applicants to use a special permit process and to put those

888 before a NEPA review, none of which had ever been done for  
889 similar types of applications like that, so nobody used it.

890 \*Mr. Latta. Could you -- just pardon for the  
891 interruption. Why would they do that if they had never done  
892 it before?

893 \*Mr. Black. It confounded us. I don't know.

894 \*Mr. Latta. But, you know, there is another kind of a  
895 theme that went through. Why aren't we prosecuting these  
896 cases? Because obviously, we need to hire penalties for, you  
897 know, attacks on pipelines. What is happening out there?

898 If I could maybe just -- I got 36 seconds left, but are  
899 we not prosecuting? Or what is happening in these cases out  
900 there?

901 \*Mr. Black. Well, there are criminal penalties in  
902 Federal pipeline safety law for damaging or destroying  
903 pipelines. But we have incidents that don't lead to  
904 immediate damage or discovery that fall under loopholes. So  
905 we think you need to address issues like valve turning that  
906 can cause pressure build-ups, or torching pipelines, or  
907 shooting high-powered rifles through pipelines, all of which  
908 have happened. We would like to work with you to close those  
909 loopholes and deter attacks against pipelines.

910 \*Mr. Latta. Well, thank you very much. And my time has  
911 expired, and I now recognize the gentlelady from Florida, the  
912 ranking member of the subcommittee, for five minutes for

913 questions.

914 \*Ms. Castor. Thank you, Mr. Chairman.

915 Mr. Caram, you highlight the erosion of the commitment  
916 to pipeline safety in your -- throughout your testimony, and  
917 that includes the professional workforce at PHMSA. Is that  
918 right?

919 \*Mr. Caram. Yes, we have heard of retirements at PHMSA.

920 \*Ms. Castor. And that -- I understand that the  
921 community liaison department which engages members of the  
922 public has gone from 13 employees to just 3 people who are  
923 now responsible for engaging the entire country. Can you  
924 explain to us what the real-world impacts of the reduction in  
925 professional expert workforce at PHMSA means for the safety  
926 of the public?

927 \*Mr. Caram. Sure, thank you for the question.

928 Unfortunately, we don't know fully. We haven't heard  
929 official word out of PHMSA as exactly the extent of the  
930 retirements and the reductions in force. So we are going off  
931 of what has been reported in the media or what is available  
932 on their website, which hasn't been fully updated. But we  
933 have noticed that the community liaison department went from,  
934 as you mentioned, 13 down to 3, and that includes the manager  
935 of the department, and that is 3 people in charge of, you  
936 know, public engagement with members of the public across the  
937 entire country who live among and alongside the over 3

938 million miles of pipeline, more miles of pipeline than paved  
939 roads, which I hope is obvious that is not nearly enough.

940 And we have also heard, you know, most of the leadership  
941 staff is gone. That is a lot of years of experience that has  
942 been drained out. We have also heard a lot of staff from the  
943 standards and rulemaking team is -- has retired, as well.

944 \*Ms. Castor. I am also very concerned with the  
945 escalating costs and risk driven by the heating planet and  
946 climate change. In June the National Transportation Safety  
947 Board issued a final report on the one point million [sic]  
948 gallon pipeline oil spill in the Gulf of Mexico in 2023,  
949 which caused \$30 million in damage. In the report the NTSB  
950 specified that it was the result of land movement related to  
951 hurricane activity.

952 And this is fresh in my mind because I saw significant  
953 damage to energy infrastructure following Hurricanes Helene  
954 and Milton in the Tampa Bay area. Does PHMSA currently have  
955 any regulations or guidelines, Mr. Caram, for pipeline safety  
956 related to extreme weather events, flooding, and more intense  
957 hurricanes?

958 \*Mr. Caram. Yes, thank you for that question. So we  
959 call all of those geohazards, these geologic threats to  
960 pipeline integrity, and they can be a result of extreme  
961 weather events. And in addition to hurricanes we have seen  
962 pipeline failures after large rainfall, you know, of historic

963 levels and things like that.

964 There is nothing specific in PHMSA regulations --

965 \*Ms. Castor. Well, what can --

966 \*Mr. Caram. -- about geohazards.

967 \*Ms. Castor. What can Congress do if we are going to  
968 update regulations to better incorporate climate resilience  
969 practices?

970 \*Mr. Caram. Mandate that PHMSA adopt geohazard-specific  
971 regulations. There is industry guidance out there, there is  
972 best practices by operators, and a lot to go on to start  
973 writing those regulations now.

974 \*Ms. Castor. There are also a few elephants in the room  
975 right now when it comes to pipeline safety, and one of them  
976 is the hatchet that the Administration is taking to just  
977 basic funding of pipeline safety and PHMSA. Round this, your  
978 testimony, out. What are -- what can we anticipate at PHMSA  
979 in regard to the safety of the public if these kind of  
980 draconian cuts, the work professional experts, and then their  
981 overall budget is enacted into law?

982 \*Mr. Caram. Well, PHMSA is already an under-resourced,  
983 under-staffed agency before this. And it was -- it is really  
984 an all-hands-on-deck, committed to safety, so it is really  
985 hard to imagine cuts not impacting their ability to be an  
986 effective safety regulator.

987 These -- the types of results that we would expect to

988 see from these cuts and lower of -- and lowering of  
989 enforcement and regulatory activity are -- I would imagine  
990 will be long term. I don't think you will see an overnight  
991 change. But if we were to see a change, unfortunately, I  
992 think it is long term, and we will be seeing it --

993 \*Ms. Castor. In the statistics that you highlighted  
994 early to say, well, maybe -- we really haven't seen a  
995 significant improvement in reduction in deaths and injuries.  
996 Is that likely to continue if we are not able to properly  
997 fund and support pipeline safety across America?

998 \*Mr. Caram. I hope that is not the case, but I do  
999 believe that a strong, effective regulator is what keeps  
1000 pipelines -- is part of what keeps pipelines safe. And  
1001 lacking that, I worry about the results.

1002 \*Ms. Castor. Thank you, I yield back.

1003 \*Mr. Latta. Thank you very much. The gentlelady's time  
1004 has expired, and the chair now recognizes the chairman of the  
1005 full committee for five minutes for questions.

1006 \*The Chair. Thanks, Mr. Chair, and sorry for popping up  
1007 and down. We have another hearing going on downstairs.

1008 So Mr. Black, I will first ask you this. How does PHMSA  
1009 enforcement act as a deterrent to unsafe operations?

1010 \*Mr. Black. We are glad that this PHMSA has said that  
1011 its top enforcement priority is pipeline safety, not other  
1012 topics. And our country needs confidence in our pipeline

1013 network and in our pipeline safety oversight.

1014 Enforcement acts as a deterrent against unsafe  
1015 operations, and so pipeline operators are expecting that  
1016 PHMSA is enforcing pipeline safety rules for the betterment  
1017 of safety.

1018 \*The Chair. Okay, because we need confidence because I  
1019 have had in my area I know -- if you look at a map of  
1020 pipelines, people would be just shocked how many pipelines we  
1021 have. But whenever there is a new movement forward, there is  
1022 always a big public relations campaign against the pipeline  
1023 about safety. So we need confidence in it so people will  
1024 know. And then when you tell people, you know, there are  
1025 pipelines everywhere, and they don't realize that, but that  
1026 has kind of become a new thing to keep us from moving energy  
1027 around, is that people are -- pipelines. And we absolutely  
1028 want them to be safe and people have to confidence in that.  
1029 So thanks.

1030 So Ms. Miller, when PHMSA rulemakings go beyond the  
1031 appropriate or statutory mandated scope, how does that impact  
1032 an operator's ability to prioritize safety?

1033 \*Ms. Miller. Thank you for the question, Chairman  
1034 Guthrie.

1035 Operators will comply with PHMSA's regulations. And so  
1036 when PHMSA's rules regulate matters other than to achieve  
1037 safety priorities, that means that resources that

1038 alternatively could have been devoted to those safety  
1039 priorities are spent in other ways. And this issue is not  
1040 only relevant to the operators, but it is also relevant to  
1041 PHMSA resources.

1042 We appreciate that Congress mandates PHMSA's scope of  
1043 responsibility, and that the 2004 authorizing statute for  
1044 PHMSA made clear that safety was to be its highest priority.  
1045 And we welcome, to the extent that there is any ambiguity  
1046 about that priority, that Congress can reaffirm PHMSA's focus  
1047 on safety.

1048 \*The Chair. Thank you.

1049 Mr. Moriarty, what are the barriers to addressing the  
1050 remaining distribution lines that need to be upgraded?

1051 \*Mr. Moriarty. Thank you very much, Chairman Guthrie,  
1052 for the question.

1053 In our view, pipeline infrastructure is the safest means  
1054 for transporting energy, and more must be built to meet the  
1055 growing demand. Just one example is our Ohio subsidiary  
1056 worked very closely with AEP to build -- it is called Aspire  
1057 Energy Express -- to construct a new intrastate pipeline in  
1058 central Ohio to support an on-site electric power generation  
1059 at a new fuel facility center serving a data center.

1060 We continue to work on solutions to these problems. We  
1061 work closely with our elected representatives in each of our  
1062 regulatory agencies to address concerns. In our view,

1063 everybody is welcome to the table to raise any issues they  
1064 have. But what we are asking for is just prompt, fair, and  
1065 balanced consideration, and then issuance of regulations so  
1066 that we all can comply with those.

1067 \*The Chair. Okay, thank you.

1068 So Mr. Black, how can pipeline operators use AI and  
1069 other technologies like smart pigs to improve safety  
1070 throughout their operations?

1071 \*Mr. Black. We are really excited about --

1072 \*The Chair. The smart pigs?

1073 \*Mr. Black. Yes, and how it can improve pipeline  
1074 safety.

1075 \*The Chair. Explain a smart pig.

1076 \*Mr. Latta. Well, you might -- your mic there.

1077 \*Mr. Black. There we go.

1078 \*Mr. Latta. There we go.

1079 \*The Chair. Explain a smart pig, as well.

1080 \*Mr. Black. A smart pig is a pipeline inspection device  
1081 that travels on the inside of a pipeline, pushed by the  
1082 liquid product, collecting information. It collects  
1083 terabytes of data about the inside of a pipeline. So AI  
1084 could use -- could be used to process that information to  
1085 help identify more issues before they become problems.

1086 Similarly, pipeline operations have pumps, valves, and  
1087 sensors along the long linear pipeline, and that creates

1088 operations data that AI and machine learning might help us to  
1089 find a pinhole leak that those sensors otherwise can't  
1090 develop.

1091           And so support for R&D among the pipeline industry at  
1092 places like the Pipeline Research Council International is  
1093 happening right now by pipelines to try and benefit from AI.  
1094 And a way Congress can help is to reauthorize the Pipeline  
1095 Safety Technology Demonstration Program that Chairman Latta  
1096 asked me about. That will help us test those technologies  
1097 and show PHMSA how it should safely improve its regulations  
1098 to benefit safety.

1099           \*The Chair. Thank you.

1100           So Ms. Miller, do you also agree that this AI or  
1101 technology -- if you find leaks that are otherwise too small  
1102 to be detected, how would that improve safety?

1103           \*Ms. Miller. Thank you. Yes, I would echo what Mr.  
1104 Black just highlighted. Our members are using AI today to be  
1105 able to sort through large quantities of data to be able to  
1106 identify trends and solve operational challenges. We believe  
1107 that AI can inform risk assessment to help operators identify  
1108 and repair -- I am sorry, identify and manage first pipeline  
1109 anomalies before they become leaks, and then also prioritize  
1110 repairs in order to address those that pose the highest risk  
1111 first.

1112           \*The Chair. Thanks.

1113           \*Ms. Miller. We would encourage --

1114           \*The Chair. My time is expired, he is about to gavel me  
1115 down. So I want to thank you for your answer.

1116           And I will yield back.

1117           \*Mr. Latta. Thank you very much. The gentleman yields  
1118 back, and the chair now recognizes the ranking member of the  
1119 full committee, the gentleman from New Jersey, for five  
1120 minutes for questions.

1121           \*Mr. Pallone. Thank you, Chairman Latta. As I  
1122 mentioned in my opening statement, I am concerned about a  
1123 number of actions the Trump Administration has taken at PHMSA  
1124 in its first six months. And one of those was calling back a  
1125 leak detection rule finalized in the last days of the Biden  
1126 Administration.

1127           And I want to be clear, the rule was finalized and done,  
1128 but the Trump Administration instructed the Federal Register  
1129 not to publish the rule and has since clawed it back. So I  
1130 just want to point out that some of -- to some of our newer  
1131 members that this rule was required by a bipartisan law that  
1132 President Trump himself signed. That law required that PHMSA  
1133 put forward a final rule within a year of enactment, and four  
1134 years after the law was signed President Trump prevented the  
1135 rule from being finalized.

1136           So Mr. Caram, could you talk about the importance of the  
1137 leak detection rule? Did it have buy-in from industry and

1138 public stakeholders? Did the Trump Administration's decision  
1139 make us safer?

1140 \*Mr. Caram. Yes, thank you for the question.

1141 That rule was negotiated, discussed over two weeks of  
1142 advisory committee meetings with multiple stakeholder groups  
1143 industry, public, and government. There were a lot of  
1144 unanimous votes. Not all of the votes were unanimous, but  
1145 many of them were. And I would say consensus was reached on  
1146 the vast majority of the issues in leak detection and repair.

1147 And that rule was due, as you said, a year after. That  
1148 would have been in December of 2021. So it is years overdue  
1149 now. So it was really disappointing to see it pulled back  
1150 from being published.

1151 \*Mr. Pallone. And what about my question about did that  
1152 decision by the Trump Administration make us safer?

1153 \*Mr. Caram. No, no, we continue to have incidents from  
1154 known leaks. There are regulations on specifically what kind  
1155 of equipment operators need to use, and the regulations  
1156 around grading leaks as to how quickly they need to be  
1157 repaired are vague. And it -- that rule would have  
1158 established those standards and, I believe, made pipelines  
1159 safer.

1160 \*Mr. Pallone. Well, thank you. Now I want to turn to a  
1161 potential priority for a pipeline safety reauthorization  
1162 bill. As you pointed out in your written testimony, PHMSA's

1163 safety rules are subject to a duplicative cost benefit  
1164 analysis over and beyond the one already required for all  
1165 other Federal rules. And this is isn't a hypothetical  
1166 problem. GPA Midstream, one of the witnesses represented  
1167 here today, has used this at the D.C. Circuit Court to kill  
1168 pipeline safety rules, and I -- and to me that is  
1169 unacceptable.

1170 So Mr. Caram, would you talk about how this duplicative  
1171 requirement harms public safety, and whether Congress should  
1172 look at removing this requirement in a reauthorization bill?

1173 \*Mr. Caram. As far as I am aware, PHMSA is the only  
1174 safety agency with this statutory cost benefit requirement  
1175 that is duplicative over the executive order. It is  
1176 difficult to do cost benefit on low-frequency, high-  
1177 consequence failures like you see with pipelines, and it  
1178 hamstring firms from making real progress on safety.

1179 As you have mentioned, multiple rules over the last  
1180 several years have been rolled back by the courts saying that  
1181 PHMSA didn't fully justify the costs with benefits, and the  
1182 benefits in many of these cases are human lives.

1183 \*Mr. Pallone. Oh, thank you. I just want to, you know,  
1184 mention to my Republican colleagues because we keep -- they  
1185 keep talking about a bipartisan bill. But if we are really  
1186 going to have a bipartisan bill on this issue, it has to be  
1187 solely -- and I stress solely -- about increasing safety.

1188 You know, the committee Republicans' pipeline safety bill  
1189 failed last Congress because it was not drafted, in my  
1190 opinion, in a collaborative manner, and included partisan  
1191 provisions related to pipeline siting as opposed to safety.  
1192 So that is -- you know, it is not going to be bipartisan if  
1193 it deals with siting and other issues other than safety.

1194 So I just hope we can see a more collaborative process  
1195 this year, Mr. Chairman. And with that I yield back the  
1196 balance of my time.

1197 \*Mr. Latta. Well, thank you very much. The gentleman  
1198 yields back the balance of his time, and the Chair now  
1199 recognizes the vice chair of the subcommittee, the gentleman  
1200 from Texas, for five minutes for questions.

1201 \*Mr. Weber. Thank you, Mr. Chairman.

1202 Mr. Black, I am going to come back to you. I want to  
1203 highlight a section of your written testimony addressing  
1204 pipeline safety: "A 2018 report prepared by PHMSA analyzing  
1205 10 years of incident data found pipelines were 13 times safer  
1206 than both trains and trucks, with pipelines experiencing 1  
1207 incident for every 720 million gallons, with rail incidents  
1208 occurring every 50 million gallons delivered.'" Pipelines  
1209 are the safest way to move this product. Agreed?

1210 \*Mr. Black. Absolutely.

1211 \*Mr. Weber. Yes, and then you also talked about an  
1212 Obama Administration analysis found rejecting a major

1213 pipeline and shipping the same crude oil by rail would  
1214 increase the risk of oil release by over 800 times, and  
1215 barrels released by 2.6 times. Very, very important  
1216 information.

1217         The Keystone pipeline would have come into my district,  
1218 the Gulf Coast of Texas, over by Beaumont, Texas -- Port  
1219 Arthur, to be exact. We know that we can move product  
1220 cleanly, and nobody wants -- and I think in one of the other  
1221 witness's testimony there was 18 or 30-something people  
1222 killed in the last year, I think, if I recall that correctly,  
1223 and that is so sad. Nobody wants that. Nobody is for that.  
1224 I mean, everybody wants to do everything they can to prevent  
1225 that. I mean, my gosh, we had a recent, you know, weather  
1226 event in Texas where over 300 people lost their lives. It is  
1227 always sad.

1228         So I would say that we want -- if you looked at the  
1229 traffic records of last year -- and this is -- by the way,  
1230 this is NHTSA's information. Last year in 2024, 39,000  
1231 people lost their lives in traffic. Everybody hates that.  
1232 Nobody wants that. Everybody wants to do as safe as they  
1233 can, and that goes with pipelines. Would you agree?

1234         \*Mr. Black. Yes. Americans use liquid fuels every day.  
1235 And if you cancel a pipeline, we are still going to use those  
1236 fuels, they are going to move on to other modes that are less  
1237 safe.

1238           \*Mr. Weber. Right, and let me go back to the Keystone  
1239 Pipeline. The Keystone pipeline coming into my district  
1240 would have carried 830,000 barrels of product a day.

1241           \*Mr. Black. Yes.

1242           \*Mr. Weber. If you do -- if you divided that up into  
1243 18-wheelers, it is over 5,300 18-wheelers on the highway a  
1244 day. What does that increase the chance of more and more  
1245 people being killed on the highway? So nobody wants that.  
1246 Obama shut down the Keystone pipeline. Of course, President  
1247 Trump got it back up and running and then Biden shut it down,  
1248 too.

1249           So I am going to go back to your report. You said  
1250 pipelines are down 30 percent over the last 5 years, and they  
1251 remain the safest method to move product. We are always  
1252 striving to improve that record. How can Congress ensure  
1253 that PHMSA is equipped to modernize its regulations in step  
1254 with industry innovation without imposing restrictions that  
1255 could hinder progress? How do we do that?

1256           \*Mr. Black. Well, several steps. One is to permanently  
1257 reform the special permit program. As you know, there are so  
1258 many different pipeline operating conditions and types of  
1259 pipes. Sometimes PHMSA regulations are not one-size-fits-all  
1260 for that pipe.

1261           Second is to reauthorize without bureaucratic problems  
1262 the Pipeline Safety Technology Demonstration program that we

1263 were talking.

1264 And then to keep PHMSA focused on pipeline safety, and  
1265 to fund -- have everybody working on R&D to get us down to  
1266 zero incidents.

1267 \*Mr. Weber. It is safe to say, isn't it, in your  
1268 opinion, that nobody who works in the pipeline industry -- or  
1269 in the fossil fuel industry, for that matter -- wants to go  
1270 home from their job and find out that one of their relatives  
1271 was killed on the highway? Nobody wants that. It is the  
1272 same with pipeline safety. Everybody who works in the  
1273 industry doesn't want anybody to be killed in that endeavor.

1274 Ms. Miller, I am going to come to you. My district  
1275 along the Gulf Coast has three LNG export facilities -- a  
1276 fourth across the border in Louisiana -- so we understand --  
1277 the understanding is that PHMSA has been working to update  
1278 regulations regarding the monitoring of LNG pipelines for  
1279 corrosion, aligning them more closely with the risk-based  
1280 industry standard -- driven standards. Some estimates  
1281 suggest these updates could save facilities millions of  
1282 dollars annually.

1283 With growing investment in LNG export capacity  
1284 increasing global demand for U.S. energy, how can common-  
1285 sense updates help safety regulations?

1286 Very quickly? Turn your mic on.

1287 \*Ms. Miller. Thank you for the question.

1288           Yes, we do agree that performance-based or risk-based  
1289 measures can help facilitate smarter safety regulation that  
1290 actually achieves the outcomes that are desired. So we agree  
1291 with you that performance-based measures facilitate safety.

1292           \*Mr. Weber. And you would agree that nobody wants  
1293 nobody they know, no Americans, nobody killed on the highways  
1294 and nobody killed by pipelines. You would agree with that.

1295           \*Ms. Miller. I totally agree with that.

1296           \*Mr. Weber. Yes, I --

1297           \*Ms. Miller. Safety is first.

1298           \*Mr. Weber. Thank you, Mr. Chairman, I yield back.

1299           \*Mr. Latta. Thank you. The gentleman yields back the  
1300 balance of this time. The Chair now recognizes the gentleman  
1301 from New Jersey's 8th district for five minutes for  
1302 questions.

1303           \*Mr. Menendez. Thank you, Chairman, and thank you for  
1304 calling this hearing today, but I want to provide context for  
1305 what is happening in Congress this week, what is happening  
1306 outside the committee's doors.

1307           The speaker has announced that we are going to have  
1308 canceled votes this week. He is limiting the legislative  
1309 action that can be taken on the floor. And I think most  
1310 Americans would want to know why. Why would we limit the  
1311 things that we can do to further the interests of our  
1312 constituents? What would that issue be?

1313           And the issue that has broken the Republican Party is  
1314 their refusal to vote on the release of the Epstein files.  
1315 Of all the things that we have to deal with as a country, the  
1316 reason we can't do our work here is because Republicans  
1317 refuse to deal with the Epstein files and the transparency  
1318 that they promised the American people. The Republican Party  
1319 is so broken that they refuse to hold this Administration  
1320 accountable or let us do our jobs to vote on legislation.  
1321 But we are sitting here pretending that it is business as  
1322 usual in this hearing room this morning, when we know that is  
1323 not the case.

1324           Let me also remind folks back home that just last month  
1325 Republicans passed their highly partisan reconciliation  
1326 package which included provisions to bypass the Clean Water  
1327 Act and erode states' rights to protect our constituents from  
1328 polluting pipelines and a giveaway to fossil fuel companies.  
1329 So at the same time that they are making it easier for fossil  
1330 fuel companies to build pipelines in states and districts  
1331 that don't want them, they are making it harder for Americans  
1332 to access health care through Medicaid, through the ACA, by  
1333 adding additional red tape, so easier for fossil fuel  
1334 companies, harder for average Americans who are potentially  
1335 dealing with long-term disabilities. The absolute lack of  
1336 accountability is astounding.

1337           Last year the House Transportation and Infrastructure

1338 Committee put together and approved a truly bipartisan bill  
1339 that would have reauthorized PHMSA pipeline safety programs  
1340 for the next four years, giving families in all of our  
1341 communities peace of mind that our pipelines are safe.  
1342 Unfortunately, last year, instead of coming to the table,  
1343 Energy and Commerce Republicans offered a bill that  
1344 authorized significantly less than what we approved on T&I to  
1345 the tune of \$80 million less per year.

1346 In fact, the Republican Energy and Commerce bill would  
1347 have cut activities that keep our communities safe by 18  
1348 percent from the 2020 authorization levels. Mr. Caram, can  
1349 you briefly touch on what a cut like this would mean for  
1350 pipeline safety for all of our constituents?

1351 \*Mr. Caram. Yes, thank you for that.

1352 Inflation -- since the last pipeline authorization, the  
1353 PIPES Act of 2020, inflation has been over 20 percent. So an  
1354 increase of anything less than 20 percent in this  
1355 reauthorization would be a cut in funding. On top of that,  
1356 there is new jurisdiction for PHMSA in gathering lines and  
1357 the potential build-out of CO2 and hydrogen pipelines, all of  
1358 which would require more funding. So a cut below the 2020  
1359 authorization would be quite drastic.

1360 \*Mr. Menendez. That would make it more difficult for  
1361 hiring and retaining the experts that we need to coordinate  
1362 critical elements of our pipeline safety programs. Is that

1363 correct?

1364 \*Mr. Caram. That is correct.

1365 \*Mr. Menendez. And with the ongoing layoffs and buy-  
1366 outs, we know that that is going to have an impact on  
1367 pipeline safety programs. Is that correct?

1368 \*Mr. Caram. I believe so. I am looking forward to  
1369 hearing more about what is happening there.

1370 \*Mr. Menendez. Yes, because we now have even less staff  
1371 in an already under-staffed agency that is responsible for  
1372 keeping all of our families safe from the dangers of  
1373 neglected pipelines. Republicans are proposing to cut an  
1374 already under-resourced agency, all while they are actively  
1375 passing legislation and pushing for more pipelines. So less  
1376 staff, less funding, and more work to do.

1377 It is highly concerning to me that the Trump  
1378 Administration is turning a blind eye to bad behavior by  
1379 fossil fuel companies while they are actively hamstringing  
1380 the agency responsible for holding these companies  
1381 accountable and keeping us all safe. And Republicans in  
1382 Congress are enabling it by cutting resources for PHMSA and  
1383 adding to their workload.

1384 Would you say that the Republican approach to safety is  
1385 making Americans less safe or more safe?

1386 \*Mr. Caram. I would say cuts to PHMSA would make  
1387 Americans less safe.

1388           \*Mr. Menendez. Correct. And we know that the T&I has a  
1389 bill that would actually make -- a bipartisan bill that would  
1390 provide the resources needed. But again, this committee, the  
1391 Republicans on this committee, chose to go a different route  
1392 and not act in a truly bipartisan way. This is all  
1393 problematic because Democrats on this committee want to deal  
1394 with the challenges that we have in this country, want to do  
1395 it in a thoughtful, bipartisan, bicameral way. We were able  
1396 to do that on T&I, so it is not impossible. People think  
1397 that we can't do these things in a bipartisan way. We  
1398 absolutely can. T&I has shown us the way. This committee  
1399 needs to follow T&I's lead to get those things done for the  
1400 American people, to keep our constituents safe.

1401           I hope that is the work that we can do in this Congress,  
1402 but apparently we won't be able to do it because Republicans  
1403 refuse to release the Epstein files.

1404           I yield back.

1405           \*Mr. Latta. The gentleman yields back the balance of  
1406 his time, and the chair now recognizes the gentleman from  
1407 Ohio's 12th district for five minutes for questions.

1408           \*Mr. Balderson. Thank you, Mr. Chairman. Thank you all  
1409 for being here today. My first question is for Ms. Miller.

1410           Thank you for being here. In your testimony you state  
1411 that in-plant piping regulation by PHMSA is duplicative to  
1412 the safety programs under the jurisdiction of OSHA. Can you

1413 elaborate on the requirements in-plant pipes must comply with  
1414 under OSHA's process safety management standards?

1415 \*Ms. Miller. Thank you for the question.

1416 I appreciate -- we do appreciate the this committee's  
1417 consideration of the opportunity to bring legislative  
1418 certainty to eliminating the duplication. So OSHA's pipeline  
1419 safety management system does have requirements that include,  
1420 for example, making sure that we have written operation --  
1421 written operating procedures for covered processes, for  
1422 maintaining integrity, for managing change.

1423 We would note that PHMSA itself has acknowledged that  
1424 the OSHA safety management imposed on gas in-plant piping is  
1425 of a similar quality to what PHMSA itself would be requiring,  
1426 and the duplication of that effort brings -- it is  
1427 cumbersome, it brings not only duplicated demand for  
1428 resources, but there can be inconsistencies.

1429 I would highlight, for example, one of the things is  
1430 that we have inspectors from each of the agencies who are  
1431 reviewing our operations. And when they do so, they come  
1432 with different experience, different subject matter  
1433 expertise. So the OSHA inspectors have familiarity with  
1434 inspecting in-plants, for example, in refineries. The PHMSA  
1435 inspectors have more experience inspecting interstate  
1436 transmission lines, for example, and so that the opportunity  
1437 to have -- engage with a regulator who has more experience

1438 with in-plant piping brings more consistency and efficient  
1439 use of resources that can be applied to other safety matters.

1440 \*Mr. Balderson. Thank you. Can you discuss the  
1441 challenges your members have in ensuring safe operations when  
1442 two different Federal regulators are overseeing the same  
1443 piping?

1444 \*Ms. Miller. Thank you. I would repeat then that it is  
1445 the complication of having two potentially inconsistent sets  
1446 of requirements, standing up two programs to be able to  
1447 achieve similar safety desired outcomes but through different  
1448 means with different types of inspections, different  
1449 requirements, which is just a drain on resources and can be  
1450 inconsistent or contradictory.

1451 \*Mr. Balderson. Would you say this conflict and  
1452 regulatory overlap like in the case of in-plant pipes make it  
1453 more confusing and challenging to maintain safe operations  
1454 for GPA Midstream members?

1455 \*Ms. Miller. I would.

1456 \*Mr. Balderson. You also wrote in your testimony that  
1457 PHMSA is rightfully taking action with the recent notice of  
1458 proposed rulemaking. Tough position here, I can't see. I  
1459 propose rulemaking to alleviate this regulatory uncertainty  
1460 regarding in-plant gas piping. Would you agree that, while  
1461 the agency's proposal is welcome and necessary, Congress can  
1462 and should still act to remedy this issue with a statutory

1463 fix to provide certainty for industry now and into the  
1464 future?

1465 \*Ms. Miller. Absolutely, yes. The notice of proposed  
1466 rulemaking from PHMSA is a great start, but we would  
1467 appreciate Congress making that permanent. Our members  
1468 appreciate legislative predictability and certainty so they  
1469 can plan for long-term operations.

1470 \*Mr. Balderson. Thank you, Ms. Miller.

1471 Mr. Black -- and I want to be -- I have a minute and 23  
1472 -- follow up with you. Last Congress this committee passed a  
1473 strong pipeline safety reauthorization that strengthened  
1474 penalties on individuals that damage, destroy, or impair the  
1475 operation of pipeline facilities. I have heard from a number  
1476 of pipeline workers and operators in my district who have  
1477 strong concerns about worker safety due to an increase in  
1478 attacks and vandalism on pipelines over the last several  
1479 years.

1480 Mr. Black, can you discuss why it is so important for  
1481 Congress to choose [sic] loopholes and strengthen penalties  
1482 on individuals that attack pipelines.

1483 And a follow-up: Would doing so help protect the safety  
1484 and security of your members, employees, and pipeline  
1485 workers?

1486 \*Mr. Black. Actions that tamper with the pipeline risk  
1487 hurting of the people who live nearby, the perpetrators

1488 themselves, and the environment. We have seen people cutting  
1489 through chains to turn valves, shooting pipeline components  
1490 before they are installed, and shooting a high -- you know,  
1491 using a blowtorch on pipelines.

1492         There is -- Congress said no -- criminal penalties in  
1493 pipeline safety law for damaging and destroying, but there is  
1494 a loophole. If you tamper with a pipeline but you don't  
1495 immediately damage or destroy it, it is not covered by the  
1496 Federal pipeline safety laws. If you cover that, if you take  
1497 that action to close that loophole, you will protect the  
1498 environment and the workforce around those, and we would  
1499 encourage you to do that in your reauthorization.

1500         \*Mr. Balderson. Thank you very much, Mr. Chairman, I  
1501 yield back.

1502         \*Mr. Latta. Thank you. The gentleman yields back, and  
1503 the chair now recognizes the gentlelady from Virginia's 4th  
1504 district for five minutes for questions.

1505         \*Ms. McClellan. Thank you, Chairman Latta and Ranking  
1506 Member Castor, for holding this very important hearing.

1507         In recent years we have seen several pipeline incidents  
1508 in Virginia that underscore the importance of the pipeline  
1509 safety program. Communities across the Commonwealth have  
1510 long raised concerns about the Mountain Valley Pipeline, from  
1511 construction activities contaminating drinking water to the  
1512 risk of corroded pipes failing. These fears were sustained

1513 when in 2024 a section of the pipeline failed during hydro  
1514 testing, a process that uses pressurized water to check pipe  
1515 integrity.

1516 And in the summer of 2023, a TC Energy natural gas  
1517 pipeline in the Shenandoah Valley exploded, likely due to  
1518 cracking in the pipe.

1519 In each of these cases PHMSA has had critical  
1520 responsibilities conducting testing during construction,  
1521 investigating pipeline failures, and imposing corrective  
1522 action. As this committee takes on reauthorization of the  
1523 pipeline safety program, we must ensure that PHMSA has the  
1524 personnel and resources it needs to carry out its vital  
1525 responsibilities and keep our communities safe. So I am glad  
1526 that Ranking Member Castor asked questions on that point.

1527 The Mountain Valley Pipeline cuts through the Jefferson  
1528 National Forest and crosses hundreds of waterways and  
1529 wetlands. And since the start of the project, there have  
1530 been around 1,500 reported pollution incidents impacting  
1531 rivers, streams, and drinking water supply. During  
1532 construction and testing of the Mountain Valley Pipeline, we  
1533 heard that farmers and landowners were seeking more  
1534 communication and engagement from PHMSA around the risks to  
1535 their land and water resources, which I think is just as  
1536 important a safety concern that we should all be worried  
1537 about.

1538           So Mr. Caram, I appreciate the Pipeline Safety Trust's  
1539 work to make pipeline safety information more readily  
1540 available and accessible to the public. And in addition to  
1541 addressing the reckless workforce cuts that we have seen, how  
1542 would you recommend that PHMSA improve its efforts to prevent  
1543 pollution incidents and better engage community members?

1544           \*Mr. Caram. Thank you for the question.

1545           I think it comes back to strong regulations and  
1546 effective enforcement in pipeline safety management systems  
1547 in order to limit these incidents. And really, all three  
1548 need to work together. There is lots of room for improvement  
1549 on all three, and I hope the committee is looking to take  
1550 that on.

1551           As far as community engagement, you know, the Pipeline  
1552 Safety Trust has really believed that an Office of Public  
1553 Engagement at PHMSA would be a big improvement. Public  
1554 engagement hasn't been a strength of the agency historically,  
1555 but they have made improvements in recent years. But I hate  
1556 to see how going from 13 employees down to 3 is going to  
1557 backpedal that progress that they have made.

1558           \*Ms. McClellan. I agree with that. Community members  
1559 and environmental groups have long raised concerns about  
1560 potential corrosion issues in the Mountain Valley Pipeline in  
1561 particular, which has been laying in fields, exposed to the  
1562 elements for years before all permit approvals were forced

1563 through in the 2023 debt ceiling bill.

1564 Corrosion is also a growing issue for pipelines in  
1565 coastal areas, where rising sea levels and saltwater  
1566 intrusion, exacerbated by climate change, are speeding up  
1567 pipe degradation.

1568 So, Mr. Caram, as we look at reauthorizing this pipeline  
1569 safety program, what additional authorities or resources does  
1570 PHMSA need to better address corrosion control to ensure  
1571 pipeline safety?

1572 \*Mr. Caram. So there is two main defenses against  
1573 corrosion. One is coding. That is really the first line of  
1574 defense. And when coding fails, the second line of defense  
1575 is cathodic protection. PHMSA has made some improvements to  
1576 the cathodic protection on natural gas transmission pipelines  
1577 recently, and we look forward to seeing how those are  
1578 impacted -- how those impact failures and effects of  
1579 corrosion.

1580 But there aren't specific regulations on the condition  
1581 of coding. They are pretty vague, and they leave a lot up to  
1582 the operator's judgment. The consent order we saw with  
1583 Mountain Valley Pipeline put some prescriptions on what  
1584 coding -- tests coding needs to pass and things like that,  
1585 and those would make a great addition to the regulations for  
1586 all pipelines.

1587 \*Ms. McClellan. Thank you. And I don't have time for

1588 you to answer my last question, but for the record -- because  
1589 we also need to worry about cybersecurity -- and I would be  
1590 curious to -- Mr. Caram, to know if you think that PHMSA and  
1591 DHS -- CISA in particular -- are still well equipped to  
1592 monitor and combat growing cyber threats to pipelines. And  
1593 if you could submit that for the record, I would appreciate  
1594 it.

1595 [The information follows:]

1596

1597 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

1598

1599 \*Mr. Caram. Thank you.

1600 \*Ms. McClellan. Thank you.

1601 \*Mr. Latta. Thank you. The gentlelady's time has  
1602 expired, and the chair now recognizes the gentleman from  
1603 Alabama's 6th district for five minutes for questions.

1604 \*Mr. Palmer. Thank you, Mr. Chairman.

1605 And I will allow you to answer that question from Ms.  
1606 McClellan. That is in line with some of my questions.

1607 \*Mr. Caram. Well, I will say that cybersecurity is not  
1608 really in the wheelhouse of pipeline safety for our  
1609 organization. It is more of a reliability issue. So we  
1610 don't really dig into the weeds on it.

1611 The way we have approached it is the integrity  
1612 management program for high consequence areas requires an  
1613 operator to identify all potential threats against the  
1614 pipeline, create a plan to mitigate against those threats,  
1615 and implement that plan. And cybersecurity threats should be  
1616 considered one of those threats, and PHMSA could adopt some  
1617 specific standards within integrity management.

1618 To the rest of your question, as far as agency  
1619 coordination is beyond my expertise.

1620 \*Mr. Palmer. Mr. Black, I would like for you to take a  
1621 shot at that question, as well.

1622 But back in 2021 we had a ransomware attack on the  
1623 Colonial Pipeline, which was in my district, and there have

1624 been multiple attacks at various healthcare facilities around  
1625 the country. And as more pipeline networks enter -- become  
1626 part of that equation, the threat of another attack is very  
1627 much a real possibility, whether it is a fuel line like the  
1628 Colonial Pipeline or other pipelines. Can you address what -  
1629 - where you think we are in terms of protecting our pipelines  
1630 from cyber attacks and what we need to do to protect them?

1631 \*Mr. Black. I am glad to address both. Cybersecurity  
1632 is very important to pipelines.

1633 Like any Fortune 500 company, pipeline operators need to  
1634 maintain safeguards to protect their commercial systems and  
1635 their operational systems. They will do that in concert with  
1636 the Transportation Security Administration, working with them  
1637 on cyber directives.

1638 I believe you asked about CISA reauthorization. LEPA  
1639 supports reauthorization of CISA. That will give pipeline  
1640 operators the opportunity a safe place to work with  
1641 governments to talk about threats. It is quite important  
1642 that PHMSA coordinate with those -- with cybersecurity  
1643 expertise to make sure that anything that PHMSA does is in  
1644 concert with what they know about how to do cybersecurity for  
1645 pipelines, which -- quickly evolving technologies and  
1646 threats. Very important.

1647 \*Mr. Palmer. So are you hearing much on that from  
1648 industry?

1649           \*Mr. Black. Every day we know there are attempts to  
1650 breach -- of breaches. I participate in classified briefings  
1651 from government. We must always have our guard on pipeline  
1652 safety. Thankfully, there are recommended practices. There  
1653 are interactions with government and experts to try and  
1654 improve that. We can never be -- stop our vigilance.

1655           \*Mr. Palmer. Do you feel like PHMSA is weighing in on  
1656 this properly, they are doing their part? Or is there -- do  
1657 we need to be doing more?

1658           \*Mr. Black. Is not key on cybersecurity, and I think  
1659 that is okay. We will work with CISA and with TSA. We need  
1660 PHMSA to make sure they are talking with them. Many of these  
1661 briefings, PHMSA is a part of those. That coordination  
1662 should be done right to make sure there is not conflicts and  
1663 overlapping, and pipeline operators being told to do two  
1664 different things. We need to make sure we are doing that  
1665 right.

1666           \*Mr. Palmer. Do we know if these are just -- in the  
1667 ransomware attack situation with Colonial Pipeline, that was  
1668 just some people trying to extort money. But do we have a  
1669 nation-state involved in this, or people who are being given  
1670 safe harbors? We know they are in China and Russia and other  
1671 places to launch these attacks. Is there any --

1672           \*Mr. Black. Generally, yes. And I know there is people  
1673 I can encourage you to talk to in government that can help

1674 you more. But we must be vigilant and must be working on  
1675 this well every --

1676 \*Mr. Palmer. Yes, my concern about this transcends the  
1677 pipelines. I mean, it is the critical infrastructure across  
1678 the country that could be subject to a cyber attack, whether  
1679 it is a ransomware attack or, you know, from a state-  
1680 sponsored terrorist group.

1681 I mean, it could be anything, and I think that our grid,  
1682 in its totality, not just the power grid but the entire  
1683 totality of the grid, whether it is pipelines or power, we  
1684 have got to make this a very serious issue, not -- a top  
1685 priority --

1686 \*Mr. Black. We Americans --

1687 \*Mr. Palmer. -- for protecting --

1688 \*Mr. Black. -- use all these forms of energy every day,  
1689 and we can't afford to have something down from a cyber  
1690 incident. You are absolutely right. Thank you for paying  
1691 attention to that.

1692 \*Mr. Palmer. Well, I appreciate your response.

1693 Mr. Chairman, I yield back.

1694 \*Mr. Latta. Thank you. The gentleman yields back the  
1695 balance of his time, and the chair now recognizes the  
1696 gentlelady from Colorado's 1st district for five minutes for  
1697 questions.

1698 \*Ms. DeGette. Thank you so much, Mr. Chairman, and

1699 thanks to all the witnesses.

1700 Mr. Black, I am peering around here to you. You just  
1701 said we should always have the eye on pipeline safety, and  
1702 you were talking about cyber. But I am assuming you mean in  
1703 every respect pipeline safety is really critical for this  
1704 country. Is that correct?

1705 \*Mr. Black. I am making sure you are looking at me,  
1706 Congresswoman.

1707 \*Ms. DeGette. Thank you.

1708 \*Mr. Black. Yes, of course. Pipeline safety is our  
1709 goal.

1710 \*Ms. DeGette. And Ms. Miller, I assume you would agree  
1711 with that, too.

1712 Mr. Caram?

1713 \*Ms. Miller. I would agree, as well.

1714 \*Ms. DeGette. Mr. Caram?

1715 \*Mr. Caram. Yes, I agree.

1716 \*Ms. DeGette. And Mr. Moriarty?

1717 \*Mr. Moriarty. Yes, I do.

1718 \*Ms. DeGette. Yes, it is sort of a fundamental. As we  
1719 are transporting more material through pipelines and many of  
1720 them aging because of the Administration's emphasis on oil  
1721 and gas development, we need to make sure that our pipelines  
1722 are safe. We need to figure out a way, preferably in a  
1723 bipartisan way, to do that statutorily. And that is what we

1724 are talking about here today.

1725 But I was recently reading an article in the Wall Street  
1726 Journal, and it talked about how the number of violation  
1727 reviews has dropped by 95 percent in the first 4 months of  
1728 this President Trump's second term, compared to the same  
1729 period under President Biden, and at number -- and a 93  
1730 percent drop compared to Donald Trump's first term.

1731 And at the same time, the President has said that he  
1732 doesn't want enforcement in a lot of these areas. And so I  
1733 am -- and so -- and also, of course, then there is DOGE  
1734 unceremoniously just having these layoffs across government,  
1735 which we don't really know how many of those people were laid  
1736 off, I don't think, at PHMSA. But given the dramatic drop of  
1737 open reviews of safety violations, I am not sure that that  
1738 means that there aren't violations. It just, I think, means  
1739 that there aren't reviews.

1740 So Mr. Caram, I want to ask you, isn't it true that  
1741 significant pipeline incidents have not decreased over the  
1742 past 20 years?

1743 \*Mr. Caram. That is true.

1744 \*Ms. DeGette. So let's talk about the Keystone pipeline  
1745 leak in Kansas, which was just three years ago, the largest  
1746 offshore oil spill in almost a decade, and the third major  
1747 spill in five years. That was quite serious. Is that right?

1748 \*Mr. Caram. Yes, that was a lot of oil.

1749           \*Ms. DeGette. A lot of oil. And then last year a  
1750 pipeline in Louisiana leaked for almost two hours because  
1751 there were no pipeline operators on site, and the monitoring  
1752 equipment malfunctioned. So that meant many residents  
1753 weren't even notified of the leak. That was also pretty  
1754 serious, wasn't it?

1755           \*Mr. Caram. Yes.

1756           \*Ms. DeGette. And are there other examples of leaks  
1757 that we are seeing that are just happening right now?

1758           \*Mr. Caram. Yes, you can look at the NTSB open  
1759 investigation docket and see lots of examples of what the  
1760 NTSB is investigating. Also their recently closed. There  
1761 was a million-gallon spill off the coast of Louisiana that  
1762 they just completed their investigation of, and unfortunately  
1763 there is many, many stories.

1764           \*Ms. DeGette. So reducing the number -- so the fact  
1765 there is fewer safety violations, that doesn't mean  
1766 necessarily there is that many -- 95 percent fewer leaks.

1767           \*Mr. Caram. Correct.

1768           \*Ms. DeGette. So before the Trump Administration took  
1769 over, PHMSA was already deemed to be under-staffed and under-  
1770 funded. Is that right?

1771           \*Mr. Caram. Yes.

1772           \*Ms. DeGette. And then, since President Trump took  
1773 office, more than half of the senior executive roles at PHMSA

1774 are empty due to a hiring freeze and buy-out offers from  
1775 DOGE. Is that right?

1776 \*Mr. Caram. As far as I know, it is.

1777 \*Ms. DeGette. Okay. And now the Trump Administration's  
1778 recent budget request would keep PHMSA's funding completely  
1779 flat, and is \$16 million less than the Biden Administration's  
1780 last proposed budget. Is that your understanding?

1781 \*Mr. Caram. I have not looked at the President's  
1782 budget.

1783 \*Ms. DeGette. Okay. Now, so if we have flat or reduced  
1784 staffing, what risk is that going to pose to public safety,  
1785 do you think?

1786 \*Mr. Caram. Well, I believe that PHMSA was already an  
1787 under-resourced, under-staffed agency, given the huge charge  
1788 that they have on pipeline safety and the three million miles  
1789 of pipeline. We wanted to see significant increases to that  
1790 funding. And seeing flat or reduced funding, I can't imagine  
1791 how that won't --

1792 \*Ms. DeGette. So will that --

1793 \*Mr. Caram. -- impact safety.

1794 \*Ms. DeGette. -- help with inspections, safety  
1795 inspections?

1796 \*Mr. Caram. We would like to see that, an --

1797 \*Ms. DeGette. No, no, I mean --

1798 \*Mr. Caram. -- increase in funding.

1799           \*Ms. DeGette. -- would the decreased funding help with  
1800 increasing safety inspections?

1801           \*Mr. Caram. No. My understanding is the reductions in  
1802 force, the inspectors were protected from those reductions in  
1803 force, and they were not allowed to participate in that  
1804 program, but we haven't seen any numbers on that.

1805           But I will say that, beyond just inspectors, the entire  
1806 agency is dedicated to safety, and they support inspectors.  
1807 They support regulations and enforcement. And so any  
1808 reduction --

1809           \*Mr. Latta. The gentlelady's time has expired.

1810           \*Ms. DeGette. Thank you.

1811           \*Mr. Latta. Thank you very much. The chair now  
1812 recognizes the gentleman from Texas's 11th district, five  
1813 minutes for questions.

1814           \*Mr. Pfluger. Thank you, Mr. Chairman. I do have some  
1815 questions that I will get to, but does anybody have any  
1816 thoughts on this last discussion we just heard that safety  
1817 incidents are out of control, or want to push back on  
1818 anything?

1819           Mr. Black?

1820           \*Mr. Black. Sure, I will cover enforcement. I divide  
1821 this year into two chapters. Before PHMSA introduced Office  
1822 of Chief Counsel memos adopting mandates from Congress in the  
1823 2020 Act -- since then I understand enforcement numbers are

1824 more similar. Before then, even when numbers were lower, the  
1825 quality was high in terms of responding to the major  
1826 incidents. On two lines they issued corrective action  
1827 orders, and the industry supports PHMSA being an effective  
1828 regulator.

1829 \*Mr. Pfluger. Yes, okay.

1830 \*Ms. Miller. I would just echo that our members do  
1831 encourage that we have a strong and well-informed, well-  
1832 resourced regulator for the -- but not only the safety, but  
1833 also make sure that we have predictable expectations for our  
1834 operations.

1835 \*Mr. Pfluger. Yes, but reasonable --

1836 \*Ms. Miller. Correct.

1837 \*Mr. Pfluger. -- being the key word, yes, thank you.  
1838 Okay. And Ms. Miller, I will stick with you and I will start  
1839 with the gas gathering rule. And as you are aware, this  
1840 significantly expanded PHMSA's jurisdiction, bringing more  
1841 than 400,000 additional miles of gathering lines under  
1842 Federal oversight. And they are located in districts like  
1843 mine in the Permian Basin, where there is a heavy presence of  
1844 production there, and very important.

1845 And the scope of implementation of this rule could have  
1846 major implications for how the gathering systems are built  
1847 and operated going forward, so we want to get this right. We  
1848 want to be reasonable, and safety is important. It is a

1849 major concern and there are other concerns, as well.

1850 But from your perspective, what implementation  
1851 challenges are operators currently facing on the ground?

1852 And how can PHMSA better distinguish between high-risk  
1853 and then lower-risk areas? Again, reasonable in the way  
1854 governments -- which is not always the way it is done, but --

1855 \*Ms. Miller. No, I appreciate that question very much.

1856 Yes, we do very much value the opportunity to have risk-  
1857 based assessment of safety concerns. There -- just because,  
1858 for example, a pipeline may have -- two different pipelines  
1859 may have a similar diameter or similar pressure, there are  
1860 other circumstances to consider in order to make sure that we  
1861 are assessing what the risk is appropriately including, for  
1862 example, proximity to populations, length of pipeline.

1863 One of the things I also wanted to make sure that this  
1864 subcommittee is familiar with is the difference between --  
1865 the differences that exist between gathering pipelines and  
1866 transmission pipelines, not only physically, but  
1867 commercially. So it is important to remember that the  
1868 interstate pipelines are subject to regulated rates with  
1869 uniform tariffs versus gathering pipelines are subject to  
1870 market-based negotiated compensation and negotiated  
1871 commercial terms. So very different application.

1872 \*Mr. Pfluger. I am sorry that more of my colleagues  
1873 aren't here to hear that. And we always take trips down

1874 there, and we do point out the difference in the Permian  
1875 Basin of gathering systems versus the larger pipelines,  
1876 interstate type.

1877 And just real quickly -- and I want to get to Mr.  
1878 Moriarty -- but having frequent GPAC meetings and ensuring  
1879 participation from stakeholders, what is the importance of  
1880 that and how does that help PHMSA regulate?

1881 \*Ms. Miller. We really appreciate the GPAC process. We  
1882 think it helps bring more informed regulation, which  
1883 therefore is more likely to be implementable. And we want to  
1884 encourage that that GPAC process also include more insights  
1885 from gathering operators when it is regulating as it is more  
1886 -- as PHMSA is more often regulating gathering now.

1887 \*Mr. Pfluger. Thank you.

1888 Just I had -- Mr. Moriarty, I had some things I was  
1889 going to say, but let me just get right to the question. In  
1890 your view, is there any realistic path to a reliable grid  
1891 without natural gas playing a role as the backbone -- the  
1892 backbone?

1893 \*Mr. Moriarty. Thank you, Congressman. No, there is  
1894 not.

1895 \*Mr. Pfluger. And would you agree that, if we are going  
1896 to meet the rising demand while also keeping the lights on,  
1897 that we need to get serious about modernizing and expanding  
1898 our natural gas infrastructure? And give us your thoughts on

1899 that.

1900 \*Mr. Moriarty. Yes, I would agree with that. Natural  
1901 gas pipelines are the safest way to move the energy that this  
1902 nation needs. And there is ever more demand for energy  
1903 across our service territories, which is the United States.  
1904 And to meet those demands, we need to construct and safely  
1905 operate pipelines, as well as LNG storage facilities.

1906 \*Mr. Pfluger. Where did the negativity come from in  
1907 this country towards pipelines? Like, I mean, what -- how  
1908 did we get here?

1909 \*Mr. Moriarty. Well, I don't know. At Chesapeake  
1910 Utilities -- and that is what I can speak of -- we take very  
1911 seriously our obligations to the communities we serve. And  
1912 those communities are where we live and where we work.

1913 \*Mr. Pfluger. Yes.

1914 \*Mr. Moriarty. So if an issue is raised with us, we  
1915 immediately study it and address it. So I am not quite sure  
1916 what is happening elsewhere.

1917 \*Mr. Pfluger. Yes. Science and math. They are the  
1918 safest form of transportation and transmission. And they  
1919 keep the lights on.

1920 I yield back.

1921 \*Mr. Latta. Thank you. The gentleman's time has  
1922 expired and he yields back. The chair now recognizes the  
1923 gentleman from Massachusetts's 4th district for five minutes

1924 for questions.

1925 \*Mr. Auchincloss. Thank you, Chairman. I appreciate  
1926 the witnesses being here today.

1927 I do want to start off by echoing the comments from my  
1928 colleague from New Jersey, Mr. Menendez. Like him, I sat on  
1929 the Transportation and Infrastructure Committee last  
1930 Congress. The difference in process on pipeline safety  
1931 reauthorization between what I saw there and what has been  
1932 described about this committee's process last year could not  
1933 be more different. On T&I it was a bipartisan bill. Not  
1934 everyone got everything they wanted, but everyone got  
1935 something, and we were able to move the ball on safety. And  
1936 it just seems like that is the opposite of what happened here  
1937 last year. I really hope this time is different, because  
1938 there is a lot of areas where we can move the ball forward in  
1939 a bipartisan way.

1940 Mr. Caram did the Pipeline Safety Trust think that there  
1941 were serious issues with the partisan bill that E&C  
1942 Republicans put forward last year?

1943 \*Mr. Caram. There were -- as mentioned earlier, there  
1944 were several provisions in the bill that had nothing to do  
1945 with pipeline safety like permitting reform, gas stove  
1946 protections, and CCS well permitting that really don't have  
1947 anything to do with pipeline safety.

1948 \*Mr. Auchincloss. Mr. Black, you had said earlier that

1949 your constituency wants -- industry wants predictable  
1950 regulation. Is that right?

1951 \*Mr. Black. Yes, sir.

1952 \*Mr. Auchincloss. Do you think that when items that are  
1953 unrelated to the core issue of pipeline safety and that have  
1954 a strongly polarized and partisan bent to them are added to  
1955 pipeline safety bills, does that make the overall product  
1956 more or less predictable?

1957 \*Mr. Black. Well, we support Congress reauthorizing the  
1958 pipeline safety laws. We supported the T&I bill and the  
1959 Energy and Commerce bill. In the end, we want good policies  
1960 enacted. It is up to you all to -- how to do it.

1961 \*Mr. Auchincloss. Right. But if the policies enacted  
1962 are done on a partisan basis, does that inspire more or less  
1963 confidence in the industry that they can count on those  
1964 regulations over a generational time span? Because you are  
1965 making long-term capital investments, right? So having the  
1966 goalpost move on you, not helpful.

1967 \*Mr. Black. I mean, I understand your question. We  
1968 wanted Congress to act on reauthorization last time. We had  
1969 priorities. We haven't achieved them. We would like you to  
1970 do it now, whatever that takes.

1971 \*Mr. Auchincloss. And Mr. Caram, I assume you didn't  
1972 think it was perfect, but did the Pipeline Safety Trust think  
1973 that the bipartisan T&I bill was closer to the mark than the

1974 partisan E&C bill?

1975 \*Mr. Caram. Yes. There were some good provisions in  
1976 there. We didn't think it went far enough to make a real  
1977 meaningful difference on pipeline safety, but there were  
1978 really good provisions that we supported and support.

1979 \*Mr. Auchincloss. And did you want to weigh in on that,  
1980 Mr. Black?

1981 \*Mr. Black. We supported both bills.

1982 \*Mr. Auchincloss. You supported both bills, but they  
1983 were very different bills. So was there elements of T&I or  
1984 E&C that you thought were particularly productive?

1985 \*Mr. Black. I am trying to remember. There were things  
1986 that were in Energy and Commerce that weren't in T&I, and we  
1987 were hoping that that would get reconciled if there was one  
1988 big bill going to the floor.

1989 We -- you know, bipartisan action is necessary to make a  
1990 law. How you start, again, is up to you all. Our goal is  
1991 smart public policies that are improving safety.

1992 \*Mr. Auchincloss. Bipartisan action is necessary to  
1993 make a law.

1994 \*Mr. Black. Sure.

1995 \*Mr. Auchincloss. Agreed. I want to be positive today,  
1996 talk about some of the important things to include in the  
1997 pipeline safety package, rather than just the process that I  
1998 didn't think was productive.

1999           One point that has come across in multiple testimonies  
2000 is that some states could stand to improve their programs to  
2001 prevent third-party excavation damages. Mr. Caram, could you  
2002 talk a little bit about what changes states can make to those  
2003 programs and how PHMSA and Congress could play a role?

2004           \*Mr. Caram. Sure. I think that is an area where all  
2005 four witnesses agree on the improvements to be made. The  
2006 Common Ground Alliance has a set of best practices for state  
2007 programs, and some states implement all of those best  
2008 practices and others don't. And having those as the baseline  
2009 for all states, I think, would make a big improvement on  
2010 damage prevention.

2011           Things like exemptions to 811 --

2012           \*Mr. Auchincloss. Yes.

2013           \*Mr. Caram. -- certain states allow certain  
2014 municipalities not to have to call 811, for example, and not  
2015 allowing that would be great.

2016           \*Mr. Auchincloss. Does anybody want to weigh in on  
2017 that?

2018           \*Mr. Black. All these industries are going to support  
2019 improved damage prevention. There are provisions, I believe,  
2020 that were in the T&I bill last time -- I can't remember about  
2021 Energy and Commerce -- to move forward damage prevention, and  
2022 we would support those.

2023           \*Mr. Auchincloss. Yes, the T&I bill had some good stuff

2024 in there.

2025 I yield back.

2026 \*Mr. Latta. Thank you. The gentleman yields back and  
2027 the chair now recognizes the gentlelady from Tennessee's 1st  
2028 district for five minutes for questions.

2029 \*Mrs. Harshbarger. Thank you, Mr. Chairman, and thank  
2030 you to the witnesses for being here today. Can you see me  
2031 for that big chair?

2032 Ms. Miller, as Ranking Member Pallone stated, GPA  
2033 successfully argued that some PHMSA regulations have not been  
2034 cost effective. But how important is cost effective  
2035 regulation for operators as you prioritize safety?

2036 \*Ms. Miller. We believe cost benefit analysis that is  
2037 part of the PHMSA regulation rulemaking process is very  
2038 important. We want to make sure that we are able to  
2039 prioritize the highest value safety priorities, and also make  
2040 sure that regulation is implementable, that there is  
2041 technology actually available in order to achieve those  
2042 goals.

2043 The process now for the implementation of rules which  
2044 provides for input from the GPAC process but also from the  
2045 public ensures that there is a more informed regulation that  
2046 is more likely to be executed.

2047 \*Mrs. Harshbarger. Was the leak detection and repair  
2048 rule finalized by the previous administration workable for

2049 operators?

2050           And did it align with the congressional intent of the  
2051 PIPES Act of 2020?

2052           \*Ms. Miller. We do not believe that it did. We do  
2053 support leak detection and repair technologies being  
2054 implemented in accordance with Congress's mandate.

2055           \*Mrs. Harshbarger. Okay. All right. You know, there  
2056 is an increasing threat to pipeline safety, as we all know,  
2057 from bad actors that wish to cause harm to pipelines and  
2058 surrounding communities. In 2022 there was a movie entitled,  
2059 "How to Blow Up a Pipeline," and it was portrayed by a group  
2060 of teenagers trying to blow up an oil pipeline to protest  
2061 climate change.

2062           Mr. Black, what measures have operators taken to prevent  
2063 bad actors disrupting pipelines and jeopardizing public  
2064 safety?

2065           \*Mr. Black. It was so sad to see a movie that was  
2066 glorifying attacks on pipelines. I remember at the time us  
2067 encouraging Federal actors to put out bulletins to be looking  
2068 for copycat activities on that. Thankfully, I am not aware  
2069 of anything that happened because of that movie.

2070           Congress can help by closing loopholes and make it clear  
2071 that if you just turn a valve or damage a pipeline component,  
2072 you think you are not hurting anything, you could be leading  
2073 to a pressure build-up or a rupture later that hurts

2074 yourself, people, and the environment.

2075 \*Mrs. Harshbarger. Yes, absolutely.

2076 Ms. Miller, how can Congress ensure that pipeline  
2077 permitting timelines are predictable and not subject to  
2078 unnecessary delays in litigation?

2079 \*Ms. Miller. Well, we would appreciate Congress's  
2080 attention to that. We do think that the permitting for  
2081 pipelines which are essential to be -- to deliver natural gas  
2082 to the communities that need it is very important. And there  
2083 is an opportunity to make sure that that is a balanced  
2084 process that reflects not only the need to have access to  
2085 energy, but also safety and environmental protections. And  
2086 we believe that is possible.

2087 We also believe that that is very important, an  
2088 important priority for our operators across the industry.

2089 \*Mrs. Harshbarger. Okay. Mr. Moriarty, as the U.S.  
2090 expands hydrogen pipeline networks, what unique safety and  
2091 regulatory challenges do these fuels represent?

2092 And how should PHMSA's mandate evolve to address them?

2093 \*Mr. Moriarty. Thank you very much for the question.  
2094 It is a very good question.

2095 We have been blending hydrogen with natural gas at a  
2096 facility that we have in Florida. And we have blended up to  
2097 five percent. And it was not only inexpensive, but also very  
2098 good for the generation that was happening there. So we are

2099 we are bullish on the role of hydrogen.

2100 \*Mrs. Harshbarger. Yes.

2101 \*Mr. Moriarty. What we are still studying, and I think  
2102 the industry is studying, is how much blending can occur  
2103 without challenging the integrity of those pipelines.

2104 \*Mrs. Harshbarger. Yes.

2105 \*Mr. Moriarty. Our interstate pipeline infrastructure  
2106 is the envy of the world. I mean, we are able to deliver  
2107 energy and so many others, you know, to the people here in  
2108 the country as well as to the industry. So we see further  
2109 study on that as helpful as you consider PHMSA's  
2110 reauthorization.

2111 \*Mrs. Harshbarger. Okay. Thank you, sir. And with  
2112 that, Mr. Chairman, I yield back.

2113 \*Mr. Latta. Thank you. The gentlelady yields back, and  
2114 the chair now recognizes the gentlelady from North Dakota for  
2115 five minutes for questions.

2116 \*Mrs. Fedorchak. Excellent. Thank you. I wasn't  
2117 expecting to be up so soon. I am usually the very last, so I  
2118 guess it pays to stick around.

2119 Well, thank you all for being here. I appreciate you  
2120 lending your expertise to this very, very important subject.  
2121 I have been a pipeline proponent for many years. I spent 12  
2122 years as a utility regulator and permitted a lot of pipelines  
2123 myself in the State of North Dakota, so I want to talk a

2124 little bit about the state role first.

2125 I recognize that -- I have recognized the challenges at  
2126 PHMSA in terms of staffing for years. One of the challenges  
2127 is they don't operate a state inspection training program as  
2128 effectively as they could to help get more state inspectors  
2129 out there. It takes too long to certify these people.

2130 So what do you think they could be doing to help?

2131 And what are you guys focusing on in terms of  
2132 encouraging PHMSA to use, like, remote training programs and  
2133 really get the training system up to speed so that the state  
2134 inspectors can hit the ground running sooner?

2135 Mr. Black, maybe you and Mr. Caram --

2136 \*Mr. Black. It is great to have you on the committee,  
2137 given your role in North Dakota. Thank you and welcome.

2138 State inspectors with quality experience and knowledge  
2139 on pipeline inspections is very important. I have been to  
2140 PHMSA's Training Center in Oklahoma City. And you're right,  
2141 it is important to be able to expand the capacity of that  
2142 training. It is in the industry's interest that anybody in  
2143 inspecting a pipeline is quality, knows what they are doing,  
2144 and is working in concert with others. We would like to do  
2145 that.

2146 We would like to also see states reduce damage  
2147 prevention exemptions so that we can protect pipeline safety,  
2148 and then to work in their inspections with PHMSA to make sure

2149 that they are not duplicative when PHMSA has approved a state  
2150 to inspect interstate transmission.

2151 \*Mrs. Fedorchak. Okay. I would encourage you to  
2152 encourage PHMSA to do online training for state inspectors,  
2153 at least for some of the programs. They don't have to be  
2154 present.

2155 \*Mr. Black. I will make that call today.

2156 \*Mrs. Fedorchak. If they could do that --

2157 \*Mr. Black. Thank you.

2158 \*Mrs. Fedorchak. Yes. Mr. Caram, any --

2159 \*Mr. Caram. Yes, I will echo Mr. Black's comment. I  
2160 welcome your expertise and experience to the subcommittee,  
2161 and I think the quality of your question really shows the --  
2162 that expertise that you bring. And so thank you for it.

2163 It is a -- you have identified a real issue with state  
2164 programs. I think, in addition to how long training takes, I  
2165 think, you know, increasing firms ability to attract and  
2166 retain talent -- I know there is a lot of competition for  
2167 these inspectors once they are trained to be, you know, paid  
2168 more by the industry. And so giving PHMSA more -- well,  
2169 giving the state programs more flexibility under the PHMSA  
2170 program in their ability to attract and retain through the  
2171 funding and their agreements, I think, would go a long way in  
2172 keeping that talent on the state programs longer.

2173 \*Mrs. Fedorchak. Okay, very good. Thank you. I would

2174 also encourage you to make those comments to PHMSA.

2175 \*Mr. Caram. I will do so.

2176 \*Mrs. Fedorchak. The -- I am curious about this  
2177 demonstration program that was kind of choked off by the last  
2178 administration.

2179 Mr. Black, I mean, everybody here has talked about the  
2180 use of technology, and that is something that we can --  
2181 should be able to agree on on a bipartisan manner. Let's use  
2182 the technology for a better purpose. What do we need to do  
2183 to reinvigorate this pilot program so we can test some of  
2184 this stuff and get it in the field?

2185 \*Mr. Black. First, Congresswoman, reauthorize the  
2186 program in this upcoming reauthorization. It lapsed. Nobody  
2187 uses it. It was because PHMSA applied rules that you all  
2188 didn't tell them to do. So tell them to do it without  
2189 bureaucratic hurdles. I don't think they will apply the  
2190 special permit process to it -- or NEPA to these decisions,  
2191 but show PHMSA the importance that you have in demonstrating  
2192 new technologies and how they can improve pipeline safety.

2193 \*Mrs. Fedorchak. Okay, very good. And then my last  
2194 question will have to be quick.

2195 Our infrastructure is aging, but it is really, really  
2196 hard for companies to build new pipelines. I mean, so this  
2197 one goes to you, Mr. Caram. You have got kind of a bully  
2198 pulpit to talk about these issues in terms of a public safety

2199 position, and talk about the value of pipelines in terms of  
2200 being the safest method to transport a lot of these products.  
2201 What are you doing to help educate the public about the need  
2202 for replacing old, aging pipelines that are more prone to  
2203 leaks with the new stuff to -- and to help advocate for  
2204 permitting processes that are certain and the construction of  
2205 a new pipeline after that?

2206 \*Mr. Caram. Well, we don't necessarily see the, you  
2207 know, permitting reform as part of our mission on pipeline  
2208 safety. But we do advocate for, you know, the pipe  
2209 replacement program that was in the Bipartisan Infrastructure  
2210 Act and has been some draft legislation on this round of  
2211 reauthorization. And we continue to support that program to  
2212 replace that aging, leak-prone, problematic pipe.

2213 \*Mrs. Fedorchak. Okay. I am over time, sorry. Thank  
2214 you all, I appreciate --

2215 \*Mr. Latta. The gentlelady's time --

2216 \*Mrs. Fedorchak. I yield back.

2217 \*Mr. Latta. -- has expired, and yields back, and the  
2218 chair now recognizes the gentleman from Texas's 33rd district  
2219 for five minutes for questions.

2220 \*Mr. Veasey. Mr. Chairman, thank you very much, and let  
2221 me start by reaffirming, I think, what we all know to be  
2222 true, and that pipeline safety is not a luxury, but it is a  
2223 necessity. And we rely on over, literally, three million

2224 miles of pipeline to move energy and materials that power  
2225 this country. It is very critical for keeping our houses  
2226 cool, and keeping them warm, and jobs.

2227         So I mean, it is important for everything, and that is  
2228 why PHMSA's mission is so important and it is why this  
2229 committee's work to reauthorize PHMSA is long overdue. I  
2230 think that we have let the agency's authorities lapse, even  
2231 as pipeline miles expand and aging infrastructure strains and  
2232 new fuels like hydrogen and CO2 are finally starting to enter  
2233 the system.

2234         And as a Texan, I know better than most how central  
2235 pipelines are to American energy. They are efficient, they  
2236 are economical, and they are essential, but they are also not  
2237 infallible. And we have to look for ways that we can raise  
2238 the bar on safety. With new energy demand surging, the  
2239 country growing, things like hydrogen and CO2 infrastructure  
2240 coming online, and extreme weather risks -- and extreme --  
2241 weather extremes increasing, the stakes really couldn't be  
2242 higher. We need PHMSA to ensure that we have the tools, the  
2243 staff, and the authority to really prioritize safety and  
2244 reduce leaks and protect a lot of our communities, as well as  
2245 we experience this growth and this new demand for energy.

2246         And so I think that what we really need to be asking  
2247 ourselves is, how can we make real progress on pipeline  
2248 safety without getting bogged down in partisanship, which is

2249 something that I have really stressed a lot on, being on the  
2250 subcommittee. And so at the end of the day, this hearing is  
2251 not just about policy, but it is really whether -- about  
2252 families can feel safe in their homes and businesses and  
2253 whether or not we are going to have the energy that we  
2254 needed.

2255           And so I wanted to ask Mr. Caram, your organization  
2256 often works across stakeholder lines. And I wanted to ask,  
2257 like, what are two or three practical, bipartisan steps this  
2258 committee could take in reauthorization that would increase  
2259 pipeline safety and community trust, but still be workable  
2260 for the industry?

2261           \*Mr. Caram. Yes, thank you so much for that question.  
2262 Two things come to mind, both of which I mentioned briefly.

2263           The first is in-home methane detectors or natural gas  
2264 alarms. The NTSB has been recommending these devices for  
2265 some time. There has been some disagreement as to whether  
2266 that is really under PHMSA or a state program's jurisdiction,  
2267 but I firmly believe that it is part of a operator's public  
2268 awareness responsibilities, and could be part of the public  
2269 awareness regulations. And you know, this subcommittee could  
2270 make that happen.

2271           We saw in Japan, when they adopted widespread use of  
2272 natural gas alarms, we saw the incidents decreased by 90  
2273 percent. I firmly believe that widespread adoption of

2274 natural gas alarms will make a meaningful difference quickly  
2275 on fatalities from pipelines.

2276         And another would be fire shut-off valves, or thermally-  
2277 activated shut-off valves. These would help mitigate the  
2278 damage from a fire in a building that could be made worse by  
2279 the presence of gas service. They are very simple,  
2280 inexpensive devices. I believe they cost \$75. They are  
2281 required in Massachusetts already, and have been for some  
2282 time. A low melting point polymer keeps the valve open.  
2283 When exposed to heat it automatically closes, and it would  
2284 prevent gas from making that fire worse and fueling it. They  
2285 don't require any ongoing maintenance, and they are very easy  
2286 to install on existing service lines.

2287         \*Mr. Veasey. Yes. I also wanted to ask you -- we know  
2288 that communities are more likely to push back on CO2 and  
2289 hydrogen projects if they don't understand the risks or  
2290 benefits. And we see -- we now see this happening across the  
2291 Midwest with the CO2 pipelines. What tools like mapping,  
2292 early engagement, or post-incident transparency can Congress  
2293 support to build trust in these next-gen pipelines?

2294         \*Mr. Caram. I think the biggest piece of building trust  
2295 for this type of pipeline is improving the regulations.  
2296 There are glaring regulatory gaps. Certain types of CO2  
2297 pipelines aren't covered by any minimum safety regulations.  
2298 And the regulations that do apply, the pipelines that are

2299 covered by regulations, those regulations are -- don't really  
2300 address the unique physical properties and risks that CO2  
2301 pose.

2302           So I think the biggest thing that could be done for  
2303 building trust in these pipelines is modernizing the  
2304 regulations.

2305           \*Mr. Veasey. Yes, no, that makes sense.

2306           And Mr. Chairman, as I get ready to close, I hope that  
2307 too we can address this again to talk about how we can get  
2308 the public more involved before something bad happens. Often  
2309 times something -- it takes something really bad to happen  
2310 before the public really gets engaged. We need to start  
2311 looking at how we can get in front of a lot of these things,  
2312 and not just be responding to, you know, unfortunate  
2313 situations.

2314           I yield back. Thank you.

2315           \*Mr. Latta. Thank you very much. The gentleman's time  
2316 has expired and he yields back. The chair now recognizes the  
2317 gentleman from Georgia's 12th district for five minutes for  
2318 questions.

2319           \*Mr. Allen. Thank you, Chair Latta, and thank you for  
2320 holding this important hearing to discuss policy on expanding  
2321 our pipeline capacity. I want to thank the witnesses for  
2322 being here to testify.

2323           Building up our pipeline capacity is critical to

2324 delivering affordable energy to our constituents across the  
2325 country and our allies. We have heard from the witnesses  
2326 that pipelines are the safest way to deliver energy. As we  
2327 are working on modernizing the role of the Pipeline and  
2328 Hazardous Materials Safety Administration, or PHMSA, it is  
2329 critical we ensure it works to enhance our pipeline  
2330 infrastructure.

2331 Mr. Moriarty --

2332 \*Mr. Moriarty. Yes, sir.

2333 \*Mr. Allen. You work in the local distribution of  
2334 natural gas. Could you expand on how you get gas safely into  
2335 communities, and the need to build up pipeline capacity to  
2336 deliver low-cost energy to consumers?

2337 \*Mr. Moriarty. Well, thank you very much for that  
2338 question. I would like to answer it by an example.

2339 Somerset County in Maryland did not have access to  
2340 natural gas. The county there was desperate to get new  
2341 energy delivered because of the economic development that  
2342 would occur and the increase in employment. We worked  
2343 closely with the community, as well as with the state, and we  
2344 now built a pipeline into Somerset County. So for the first  
2345 time they have access to natural gas, which has led to more  
2346 building, more manufacturing, and more jobs.

2347 \*Mr. Allen. That is a great example, and thank you for  
2348 that.

2349           Mr. Black and Ms. Miller, you both mentioned the need to  
2350 reform the special permit program. Can you share how  
2351 reforming this program will expand pipeline infrastructure  
2352 projects?

2353           \*Mr. Black. The special permit program has been nearly  
2354 broken by the application of unnecessary conditions that are  
2355 unrelated to the waiver being requested, and they have taken  
2356 too long. PHMSA should reform the special permit process,  
2357 and Congress should tell them that they should.

2358           Decision delays -- decision deadlines, excuse me -- and  
2359 no extraneous conditions, how will that help? They are --  
2360 one-size-fits-all regulations can't possibly apply to all the  
2361 different types of conditions, operations pipe that is out  
2362 there. If we reform the special permit process, get people  
2363 using it, have regulations that are suited to that specific  
2364 pipe, that contributes to unleashing energy because we can  
2365 have the pipe that we need to go where we need it to go.

2366           \*Mr. Allen. Okay, Ms. Miller?

2367           \*Ms. Miller. I would echo what Mr. Black said. We  
2368 agree that not only does the special permit program offer  
2369 that opportunity, but I would point out as well that  
2370 performance-based measures and PHMSA pipeline safety  
2371 programing can allow for the evolving technology in order for  
2372 more fit-for-purpose solutions.

2373           \*Mr. Allen. Okay. As a follow-up, how can PHMSA

2374 modernize the special permit process so operators can realize  
2375 the intended benefits of the process?

2376 Mr. Miller? Ms. Miller, I am sorry.

2377 \*Ms. Miller. Thank you. I would actually -- I defer to  
2378 Mr. Black, who did such a nice job of describing the special  
2379 permit program --

2380 \*Mr. Allen. Okay.

2381 \*Ms. Miller. -- and the opportunities for improving  
2382 upon it. But we echo that there is an opportunity to allow  
2383 for the fit-for-purpose solutions that bring better safety  
2384 outcomes.

2385 \*Mr. Allen. Okay. Mr. Black?

2386 \*Mr. Black. Congressman, no unrelated conditions. Deal  
2387 with what the pipeline operator is requesting. Don't take  
2388 this opportunity to impose something else. Do that through  
2389 the regulatory process.

2390 Second, have a decision deadline so that permits get  
2391 ruled on and we get these changes made.

2392 \*Mr. Allen. Okay. All right. Ms. Miller, it is my  
2393 understanding that you have some LNG members. I believe  
2394 exporting LNG to our allies is key to our national security.  
2395 Can you share how updating pipeline safety programs would be  
2396 beneficial to our LNG exports?

2397 \*Ms. Miller. Having a greater supply available for  
2398 export not only facilitates the export of that to our allies,

2399 but that also has environmental benefits because natural gas  
2400 is a more environmentally friendly energy source. And energy  
2401 demands, of course, are increasing around the world. Making  
2402 that available across the world, our American natural gas  
2403 around the world, it provides benefits for us all.

2404 \*Mr. Allen. Yes, and this is a great opportunity for us  
2405 to maybe reverse the trade deficit issues and other things  
2406 that, obviously, the President is working on. Would that be  
2407 correct?

2408 \*Ms. Miller. I agree.

2409 \*Mr. Allen. Yes, okay. All right. Well, thank you so  
2410 much for -- to you all for being here today.

2411 And with that, Mr. Chairman, I will yield back.

2412 \*Mr. Latta. Thank you. The gentleman yields back the  
2413 balance of his time. The chair now recognizes the gentlelady  
2414 from Washington's 8th district for five minutes for  
2415 questions.

2416 \*Ms. Schrier. Thank you, Mr. Chairman, and thank you to  
2417 our witnesses.

2418 I want to start just by expressing how important  
2419 pipeline safety is all over, but particularly in my home  
2420 state. It has been about 26 years since the Olympic pipeline  
2421 explosion in Bellingham, which is less than an hour from my  
2422 district. And this tragedy killed three young people,  
2423 injured eight more, and severely impacted the ecosystem and

2424 the nearby communities. And many of the safety protections  
2425 and considerations currently in place stem from this tragedy.  
2426 So I just wanted to remind us all why we are here and why  
2427 PHMSA is so important.

2428 I would love to just turn to hydrogen, a fuel that  
2429 Washington State is heavily investing in. Mr. Moriarty, in  
2430 your testimony you discussed the role that your utility plays  
2431 in the Mid-Atlantic hydrogen hub. I was wondering if you  
2432 could discuss the economic opportunities that this hub will  
2433 bring to your region.

2434 \*Mr. Moriarty. Thank you for that question.

2435 There was a great deal of excitement when MACH2 was  
2436 announced, which is our hydrogen hub in the Delaware,  
2437 Pennsylvania, New Jersey. Our role as a company was going to  
2438 be to use our Safety Town, which is where we have built  
2439 little houses and little facilities. And I say little, it is  
2440 just -- all the appliances that you would use are in there.  
2441 And we use that to train our employees, but also to train  
2442 first responders.

2443 Our role at MACH2 was going to be to blend hydrogen into  
2444 those energy sources to see how they reacted, and then to  
2445 help train our folks and others to do that. So there was a  
2446 great deal of excitement when it first started.

2447 \*Ms. Schrier. That is really cool, that MACH2 has  
2448 Safety Town there to do practice and drills, and I think it

2449 all makes all of us feel better.

2450 We also were very excited about -- and we are very  
2451 excited about being a hydrogen hub in Washington State. In  
2452 particular in Washington, where we have 70 percent of our  
2453 power comes from hydropower, there it is clean hydrogen,  
2454 which is particularly exciting. It is a way to store that  
2455 excess energy. And it is one of the reasons I am so  
2456 disappointed that this Administration and House Republicans  
2457 are undermining the efforts toward hydrogen, which is our --  
2458 one of our important future fuels. When they deliberated  
2459 about the one big, ugly bill, they slashed tax credits for  
2460 clean energy, including weakening the 45V clean hydrogen tax  
2461 credit which is crucial to get this nascent hydrogen industry  
2462 off the ground. And both MACH2 and the Pacific Northwest  
2463 hydrogen hub may be on the chopping block, according to some  
2464 leaked documents.

2465 I will also note that one of the largest hydrogen hubs  
2466 is in Texas, and that these exist in red states and blue  
2467 states and all over, and we need to be thinking about the  
2468 future.

2469 For the purposes of this hearing and safety I just  
2470 wanted to discuss again the knowledge gaps that we still need  
2471 to fill in, in terms of how to integrate hydrogen fuel into  
2472 the existing pipeline systems and infrastructure through  
2473 blending, and later, hopefully, maybe even on its own. And

2474 these safety issues have not been fully discussed.

2475         Mr. Caram, it is good to see you again. We talked about  
2476 some of these unknowns the last time you were here, and why  
2477 further studies are needed to evaluate what modifications are  
2478 needed to existing infrastructure to be compatible with  
2479 hydrogen. We didn't know a ton at the time. It has been  
2480 about a year. We still haven't passed PHMSA reauthorization  
2481 with a hydrogen blending study to address these safety  
2482 concerns. And I was wondering if you could speak to the  
2483 urgency of this, the consequences of not filling those  
2484 knowledge gaps sooner rather than later.

2485         \*Mr. Caram. Yes, thank you for the question.

2486         At this point operators do not need to report to anyone,  
2487 including PHMSA or their state regulator, if they are  
2488 blending hydrogen into their system, as long as it is below  
2489 50 percent. So we don't really know how urgent this is  
2490 because we are not aware of how many operators are blending  
2491 hydrogen into existing systems.

2492         I will say that the knowledge gaps and research gaps and  
2493 regulatory gaps that we discussed last time are largely still  
2494 present. There hasn't been a lot of progress made, as far as  
2495 I know.

2496         \*Ms. Schrier. Well, I hope the way we discover the  
2497 problems isn't through a catastrophe at Safety Town, and  
2498 figuring out where there are gaps in our knowledge and

2499 pipelines. So I want to thank you and I will yield back  
2500 unless you want to use those six seconds. You looked too  
2501 eager to say something. No?

2502       Okay, I will yield back. Thank you.

2503       \*Mr. Latta. Thank you. The gentlelady yields back, and  
2504 the chair now recognizes the gentlelady from Iowa's 1st  
2505 district for five minutes for questions.

2506       \*Mrs. Miller-Meeks. Thank you so much, Chairman Latta  
2507 and Ranking Member Castor, for holding this important hearing  
2508 on pipeline safety.

2509       American energy dominance requires modern pipeline  
2510 infrastructure and effective regulations that truly consider  
2511 the cost benefit of additional bureaucratic barriers. These  
2512 pipelines heat our homes and power our farms. They deliver  
2513 energy affordably and safely across the country, making  
2514 modern life possible. To think if we replaced every pipeline  
2515 with a semi tractor trailer truck, tanker, or railcar, how  
2516 much more safety would be put at risk?

2517       We need clear Federal standards, not 20-year-old rules  
2518 that ignore modern technology and innovation. This isn't  
2519 complicated. Focus on actual safety. Streamline permitting.  
2520 American energy security depends on building the  
2521 infrastructure, and that means smart, targeted policies, not  
2522 one-size-fits-all mandates that threaten reliability and  
2523 investment.

2524           And to your point, Mr. Moriarty, I have -- since I have  
2525   been in Congress, which was January 3, 2021 -- have been  
2526   talking with two of my counties in southeast Iowa along the  
2527   Mississippi River who desperately want more pipeline natural  
2528   gas delivered to them, and it is absolutely affecting  
2529   economic growth. And they have lost businesses relocating  
2530   there because of this issue.

2531           Mr. Black, your members use advanced technologies for  
2532   leak detection voluntarily. Why is flexibility important in  
2533   allowing operators to deploy the right technology for their  
2534   specific systems, rather than having a prospective mandate  
2535   from the Federal Government?

2536           \*Mr. Black. Well, first, technology, Congresswoman,  
2537   there are lots of different types of pipelines. There are  
2538   ones that have many laterals and many injection points and  
2539   takeoffs, and there are ones that just go one direction. It  
2540   is important to have a leak detection program that reflects  
2541   the characteristics of that system. If there are  
2542   prescriptive regulations first, those might become quickly  
2543   obsolescent by advancing technology. Second, they might not  
2544   reflect the unique characteristics of that pipeline.

2545           Right now PHMSA inspects pipeline operators, asks them  
2546   about how they are approaching their pipeline system, and has  
2547   that type of conversation. That is the way that it should  
2548   be.

2549           \*Mrs. Miller-Meeks. So it is sort of like the Federal  
2550 Government telling a farmer how much input, how much  
2551 pesticide, fungicide, fertilizer, when to harvest, when to  
2552 plant not knowing when the corn is dry, when the ground is  
2553 ready, how much rain they are expecting, and if there is  
2554 flooding.

2555           \*Mr. Black. That sounds right.

2556           \*Mrs. Miller-Meeks. Okay, thank you.

2557           Mr. Moriarty, Congress mandated a safety program for  
2558 idled pipelines in 2020, but it hasn't been implemented. As  
2559 an operator, what unique risks do idled pipelines pose, and  
2560 why do we need Federal standards?

2561           \*Mr. Moriarty. Thank you for that question.

2562           Idle pipelines are wasted capacity that could be  
2563 repurposed for other uses. We try to ensure that all the  
2564 pipelines that we have are fully utilized and they are safe.  
2565 I think when you idle a pipeline and it is not being used,  
2566 you just raise the risks of safety with those pipelines.

2567           \*Mrs. Miller-Meeks. Again for Mr. Moriarty, you  
2568 describe sophisticated cybersecurity measures at Chesapeake.  
2569 How can PHMSA support industry-led cybersecurity efforts  
2570 without creating duplicative regulations with TSA and other  
2571 agency requirements?

2572           \*Mr. Moriarty. Well, thank you very much.

2573           Cybersecurity is one of the top risks that face

2574 companies like ours. We have invested a great deal in a  
2575 cyber team. We have one of the best in the country, and we  
2576 are very, very proud of that. We have attacks daily from  
2577 nation states and others. We have partners at the FBI and  
2578 other places that we deal with where we share information.

2579 I think if PHMSA were to step in, we would want a  
2580 holistic approach, because time is of the essence when you  
2581 are dealing with a cyber event.

2582 \*Mrs. Miller-Meeks. Thank you.

2583 And Ms. Miller, CO2 has been used for enhanced oil  
2584 recovery for decades, helping maximize domestic energy  
2585 production. Can you explain how CO2 infrastructure supports  
2586 traditional oil and gas operations, and why it is important  
2587 for American energy security?

2588 \*Ms. Miller. Thank you for that question.

2589 Actually, few of the GPA Midstream members currently  
2590 operate or are planning to operate CO2 pipelines, but we  
2591 recognize the importance of having the pipelines available to  
2592 solve and support some of the environmental opportunities  
2593 available in the industry.

2594 We do support strong pipeline safety for all pipelines,  
2595 including CO2, and we would support PHMSA's process to  
2596 establish those rules properly.

2597 \*Mrs. Miller-Meeks. Are there risks associated with the  
2598 CO2 pipeline versus other pipelines if proper safety

2599 protocols are put in place?

2600 \*Ms. Miller. I am not -- I would have to follow up for  
2601 you, but I would be happy to.

2602 \*Mrs. Miller-Meeks. All right. Thank you so much.  
2603 I yield back.

2604 \*Mr. Latta. Thank you. The gentlelady yields back.  
2605 The chair now recognizes the gentleman from California's 15th  
2606 district for five minutes for questions.

2607 \*Mr. Mullin. Thank you, Mr. Chair, and thank you to all  
2608 of our witnesses today. This is an incredibly important  
2609 topic to my district.

2610 Fifteen years ago a natural gas pipeline exploded in the  
2611 Glenview neighborhood of San Bruno, just a few miles from my  
2612 home in south San Francisco. Eyewitnesses said that the  
2613 fireball shot over 1,000 feet into the air. The blast killed  
2614 8 people, injured dozens more, and destroyed or damaged more  
2615 than 100 homes. The impact on the community was devastating  
2616 and long lasting, and it is exactly why we need to get this  
2617 right.

2618 An NTSB report concluded that "No one knew whether the  
2619 pipeline under San Bruno was safe. Not the utility, not the  
2620 state regulators, and not the Federal regulators.'" They  
2621 went on to call it a failure of the entire system, a system  
2622 of checks and balances that should have prevented this  
2623 disaster.

2624           So Mr. Caram, can you walk us through the root causes of  
2625 the 2010 San Bruno explosion, specifically the organizational  
2626 breakdowns and regulatory gaps that allowed such a  
2627 catastrophe to occur?

2628           \*Mr. Caram. Well, I can do my best. It has been a  
2629 little while since I have looked at that NTSB report. But  
2630 seeing -- I recognize we are coming up on 15 years in  
2631 September, and my heart goes out to that community and your  
2632 community.

2633           There was a section of pipe up there that I don't think  
2634 a lot of operators would consider pipe. And because of the  
2635 lack of initial testing standards, you know, requiring to  
2636 pressure test that pipe, it was never allowed to fail under  
2637 that hydro test to discover that it wasn't capable of  
2638 handling that pressure of natural gas. A lot of that came  
2639 from acquisitions and lack of record-keeping through  
2640 acquisitions from company to company.

2641           And so the NTSB report had a long list of  
2642 recommendations on how operators could get to know their  
2643 system to make sure that they would be able to identify if  
2644 there were that kind of rogue pipe somewhere in their system  
2645 susceptible to fail.

2646           And PHMSA has -- it took a long time, but they have  
2647 enacted a series of rulemakings in response to those  
2648 recommendations, and there are some real improvements in

2649 those regulations that they have passed. Unfortunately,  
2650 because of the non-application clause and cost benefit, not  
2651 all of the NTSB recommendations were able to be implemented  
2652 by PHMSA, some of those key recommendations.

2653 \*Mr. Mullin. Thank you for that.

2654 So under the Trump Administration, PHMSA's enforcement  
2655 actions have dropped to record lows. And nearly all of the  
2656 agency's senior career staff has left. The agency has also  
2657 delayed publishing a rule on gas leaks. Instead of  
2658 prioritizing safety, unfortunately, the Administration has  
2659 proposed slashing budget by \$16 million and threatened to  
2660 withhold funding from your organization, Mr. Caram, the  
2661 Pipeline Safety Trust.

2662 So given all of that, my question is to you again, sir:  
2663 What does Congress need to do to ensure that pipelines are  
2664 actually safer today than they were 15 years ago?

2665 \*Mr. Caram. I think Congress serves a critical  
2666 oversight role of authorizing the appropriate level of  
2667 funding, appropriating that funding, and then overseeing how  
2668 they are implementing the Pipeline Safety Act hearings such  
2669 as this can do that. Hearings with PHMSA would be helpful,  
2670 as well.

2671 Congress asked PHMSA to -- in its oversight role asked  
2672 PHMSA to produce a web chart showing its progress towards all  
2673 of the mandates towards rulemaking, and required that that be

2674 updated on a monthly basis. And I think that is a key piece  
2675 of oversight. It is also key for members of the public to  
2676 really see where those rulemakings are prioritized. And the  
2677 last time I checked, that hadn't been updated since January.

2678 \*Mr. Mullin. I appreciate the renewed attention on  
2679 this. Thank you all for your testimony.

2680 And with that I yield back, Mr. Chair.

2681 \*Mr. Latta. Thank you. The gentleman yields back the  
2682 balance of his time, and the chair now recognizes the  
2683 gentleman from South Carolina's 7th district for five minutes  
2684 for questions.

2685 \*Mr. Fry. Thank you, Mr. Chairman. This is a  
2686 fascinating hearing, and I really appreciate the witnesses  
2687 for being here.

2688 I am struck a little bit by some of the commentary from  
2689 the other side of the dais that there is a perceived lack of  
2690 enforcement. Mr. Black, earlier with -- in a dialog with Mr.  
2691 Pfluger you talked about two different sessions, if you will.  
2692 What did you mean by that? And could you expand upon that  
2693 when it comes to enforcement?

2694 \*Mr. Black. A couple of months ago PHMSA's Office of  
2695 Chief Counsel issued publicly a guidance on how this  
2696 Administration is going to be enforcing pipeline safety.  
2697 Congress in the 2020 Act had said that more due process  
2698 needed to be provided to respondents, and so that was part of

2699 it.

2700 Before that series of memos from the Chief Counsel,  
2701 there were public reports that numbers were down. Since  
2702 then, the numbers of enforcement activities are higher. I  
2703 don't think it is the numbers that matter to me. We look at  
2704 is PHMSA on the case on major incidents? Do pipeline  
2705 operators recognize that PHMSA is going to deter unsafe  
2706 pipeline operations? Pipeline operators absolutely know that  
2707 PHMSA has that authority, and they are not thinking that this  
2708 is -- they are recognizing that we still face enforcement  
2709 potential from PHMSA.

2710 \*Mr. Fry. So you are not -- maybe the Chicken Little  
2711 exercise that we heard from the other side about the sky is  
2712 falling, you -- what you are saying is that you don't think  
2713 that the current numbers substantiate that allegation.

2714 \*Mr. Black. Correct. And I am not sure if numbers are  
2715 the right way to do it. On the Keystone there was an action,  
2716 there was a quick corrective action order telling the  
2717 pipeline operator change its operations until PHMSA approved  
2718 it. That is the type of activity PHMSA is supposed to do.

2719 \*Mr. Fry. Mr. Black, who was the head of PHMSA under  
2720 the Biden Administration?

2721 \*Mr. Black. It was Tristan Brown, the deputy  
2722 administrator. There was no confirmed administrator.

2723 \*Mr. Fry. Why is that?

2724           \*Mr. Black. We don't know. In my time there had never  
2725 been an administration that failed to nominate an  
2726 administrator.

2727           \*Mr. Fry. Well, I mean, we have all seen that the  
2728 president, the former president, was kind of asleep at the  
2729 wheel for most of his administration. So what you are saying  
2730 is that there was no actual head. There was a deputy  
2731 administrator, but no one that was nominated by the White  
2732 House to be in the role.

2733           \*Mr. Black. Correct.

2734           \*Mr. Fry. Is that the same today, or is there an  
2735 actual --

2736           \*Mr. Black. There is a nominee, Paul Roberti, from the  
2737 President to be the Senate-confirmed head of PHMSA, and he  
2738 had his confirmation hearing last week. And we hope he is  
2739 adopted. We think it is better for PHMSA to have Senate-  
2740 confirmed leadership to be able to work with the Congress.

2741           \*Mr. Fry. What is your understanding, Mr. Black, of the  
2742 budget of PHMSA under the 2025 fiscal year? What do -- do  
2743 you know roughly what that number is?

2744           \*Mr. Black. No, but I understand that the President's  
2745 budget request is the same as it was in the last year.

2746           \*Mr. Fry. Do you -- would it -- \$280 million, does that  
2747 sound about right --

2748           \*Mr. Black. Yes, sir.

2749 \*Mr. Fry. -- for fiscal year 2025?

2750 \*Mr. Black. Yes.

2751 \*Mr. Fry. How much of an increase do you think that  
2752 that is from, say, fiscal year 2023?

2753 \*Mr. Black. I don't know.

2754 \*Mr. Fry. Seventy-three million dollars.

2755 \*Mr. Black. Right.

2756 \*Mr. Fry. So you have seen a dramatic -- so when we  
2757 talk about scaling back funding or saving the taxpayers  
2758 money, this isn't a scenario where their budget has been flat  
2759 for years and they are receiving a cut. In fact, they  
2760 received a 50 percent increase just 2 years prior to that.

2761 So again, when we are talking about funding, I think it  
2762 is important to understand the context of that funding and  
2763 where these funding mechanisms came from. Do you agree?

2764 \*Mr. Black. Yes. If we think PHMSA should be focused  
2765 on pipeline safety, should have qualified personnel with STEM  
2766 experience and pipeline operations expertise, if it takes  
2767 Congress giving PHMSA extra help, we are ready to have them  
2768 do that. We want PHMSA to have the resources that it needs.

2769 \*Mr. Fry. To do the job of the original mission,  
2770 perhaps.

2771 \*Mr. Black. Focus on pipeline safety, yes.

2772 \*Mr. Fry. Correct, not the other ancillary things. I  
2773 mean, they have kind of become a de facto EPA, if you will,

2774 under at least the Biden Administration.

2775           \*Mr. Black. The emphasis was not there, right? There  
2776 were congressional mandates, say, on idled pipe that were  
2777 just not issued during the last administration, and they  
2778 bungled the implementation of the Pipeline Safety Technology  
2779 Demonstration program. We hope that this PHMSA will be  
2780 focused on the right things.

2781           \*Mr. Fry. Thank you for that.

2782           Ms. Miller, one example of PHMSA regulations not keeping  
2783 pace with modern-day conditions is the class location  
2784 regulations, which have been -- which have not been updated  
2785 in about 50 years. Do you agree that population changes  
2786 around pipelines necessitate changes to existing laws?

2787           And would those changes enhance pipeline safety?

2788           \*Ms. Miller. We believe that they are opportunities to  
2789 ensure that risk assessments, including cross location  
2790 analysis, is done to ensure that the right priorities are --  
2791 and resources are made available for the highest priority  
2792 safety results. So yes.

2793           \*Mr. Fry. Thank you. PHMSA should also integrate  
2794 efficiency and flexibility into the regulations to  
2795 incentivize PHMSA to modernize. Would PHMSA integrating more  
2796 integrity management principles into class location  
2797 regulations elevate safety standards across more miles of  
2798 pipelines?

2799           \*Ms. Miller. We believe it would. Performance-based  
2800 measures across not only interstate pipelines, but also for  
2801 gathering and processing -- I am sorry, gathering and local  
2802 pipelines would matter, as well.

2803           \*Mr. Fry. Thank you for that, Mr. Chairman, and I yield  
2804 back.

2805           \*Mr. Latta. Thank you. The gentleman's time has  
2806 expired, and the chair now recognizes the gentlelady from  
2807 California's 7th district for five minutes for questions.

2808           \*Ms. Matsui. Thank you very much, Mr. Chairman, and I  
2809 want to thank the witnesses for being here today.

2810           Now, the safe operation of our nation's pipelines should  
2811 be an urgent priority for this committee, but it has now been  
2812 almost two years since its authorization expired for the  
2813 Pipeline and Hazardous Materials Safety Administration.

2814           PHMSA is crucial for protecting communities from deadly  
2815 pipeline accidents, but Republicans on this committee clearly  
2816 don't see this as a priority. Instead of working towards a  
2817 common-sense reauthorization of PHMSA, Republicans wasted the  
2818 last two years trying to force through an extreme partisan  
2819 bill that would cut pipeline safety by 18 percent.

2820           Now, under President Trump, I am gravely concerned that  
2821 pipeline safety has been caught in a broader Republican  
2822 effort to roll back critical safety and pollution regulations  
2823 across the Federal Government. As my colleagues have

2824 discussed, multiple senior officials at PHMSA resigned or  
2825 having [sic] been pushed out of the agency. There has been a  
2826 sharp decline, drop in the number of enforcement actions  
2827 taken by PHMSA, and President Trump has rescinded critical  
2828 pipeline safety rules.

2829 Now, Mr. Caram, I want to keep this very simple. Are  
2830 these actions going to increase or decrease the likelihood of  
2831 a deeply [sic] pipeline disaster?

2832 \*Mr. Caram. Thank you for that.

2833 As I stated before, I believe strong regulations and  
2834 effective enforcement are critical to pipeline safety, and  
2835 actions that erode those, I fear, will hurt pipeline safety.

2836 \*Ms. Matsui. Exactly. Mr. Caram, this looks like a  
2837 deliberate effort to cripple PHMSA's capacity to act as an  
2838 effective safety regulator in order to benefit the oil and  
2839 gas industry. Would you disagree?

2840 \*Mr. Caram. I can't speculate as to the motivations  
2841 behind the actions.

2842 \*Ms. Matsui. Okay. It is not just PHMSA. This is part  
2843 of a pattern. EPA staff has been told not to enforce  
2844 pollution rules. The Department of Energy has been ordered  
2845 to stop enforcing efficiency standards. The Department of  
2846 Labor has been ordered to stop enforcing anti-discrimination  
2847 laws. This is a deliberate, coordinated effort to weaken the  
2848 protections that keep us safe.

2849           Now I want to focus on the new rule for carbon dioxide  
2850 pipelines for a moment because I think it demonstrates this  
2851 point. As you mentioned in your testimony, it has now been  
2852 five years since the CO2 pipeline disaster in Mississippi  
2853 that sent 45 people to the hospital. PHMSA proposed new  
2854 rules to prevent this disaster from happening again, but  
2855 President Trump immediately withdrew the new rule just as new  
2856 CO2 pipelines are being built across the country.

2857           Mr. Caram, can you briefly describe some of the unique  
2858 challenges and concerns surrounding the carbon dioxide  
2859 pipelines?

2860           \*Mr. Caram. Sure. So CO2 is an asphyxiate, and it is  
2861 heavier than air, and it is usually transported in a pipeline  
2862 in a dense phase. In the event of a pipeline rupture, large  
2863 amounts of CO2 can escape from the pipeline, and it can move  
2864 in long distances close to the ground in dangerous and even  
2865 lethal concentrations. It is odorless. It can be invisible,  
2866 making it really difficult to detect. So all of these unique  
2867 physical properties really present unique risks relative to  
2868 other types of pipelines and unique emergency response  
2869 challenges, as well.

2870           \*Ms. Matsui. But how do the proposed -- the new  
2871 proposed rule for CO2 pipelines address these challenges?

2872           \*Mr. Caram. Well, it proposed new standards to ensure  
2873 that ruptures would be less likely to occur, like stronger

2874 construction and design standards and real-time monitoring.  
2875 It also made sure that all parts of the pipeline where a  
2876 failure could affect a community would be subject to stricter  
2877 safety standards, and it also made improvements to an  
2878 operator's responsibility to ensure strong emergency  
2879 response.

2880 \*Ms. Matsui. So does the President's decision to kill  
2881 this rule make communities more safe or less safe?

2882 \*Mr. Caram. Well, if it is between finalizing the  
2883 proposed rule or not modernizing the regulations, not  
2884 modernizing the regulations makes --

2885 \*Ms. Matsui. So it would be less --

2886 \*Mr. Caram. -- makes communities less safe.

2887 \*Ms. Matsui. Less safe. Mr. Caram, without new safety  
2888 rules, will we see another tragedy like the disaster in  
2889 Mississippi?

2890 \*Mr. Caram. I certainly hope not. We will be relying  
2891 on operators to follow voluntary industry standards instead  
2892 of the law.

2893 \*Ms. Matsui. Okay. Let me just talk about hydrogen  
2894 blending. Blending hydrogen into natural gas pipelines also  
2895 prevents new safety concerns that need to be addressed. Mr.  
2896 Caram, can you briefly describe some of the unique challenges  
2897 and concerns with hydrogen blending?

2898 \*Mr. Caram. Sure --

2899 \*Mr. Latta. In about five seconds.

2900 [Laughter.]

2901 \*Mr. Caram. I am not sure I can do that in five  
2902 seconds.

2903 \*Ms. Matsui. Okay.

2904 \*Mr. Latta. Could the lady submit the question to the  
2905 witness?

2906 \*Ms. Matsui. I certainly could.

2907 \*Mr. Latta. In writing.

2908 [The information follows:]

2909

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

2911

2912           \*Ms. Matsui. Thank you very much.

2913           \*Mr. Latta. Thank you very much. Thank you. The chair  
2914 now recognizes the gentlelady from Florida's 15th district  
2915 for five minutes for questions.

2916           \*Ms. Lee. Thank you, Mr. Chairman, and thank you to our  
2917 witnesses for being here with us today.

2918           As American demand for energy continues to grow, it is  
2919 essential that our pipeline infrastructure is prepared to  
2920 meet this need. Pipelines are critical for transporting oil,  
2921 natural gas, and our other energy resources.

2922           My home state of Florida is a large producer of  
2923 electricity, and relies heavily on pipelines to deliver  
2924 energy, so I appreciate your testimony and the discussion.

2925           Mr. Moriarty, I would like to return to something you  
2926 said just a few moments ago. You mentioned that one of the  
2927 top risks you perceived for pipeline safety is, in fact,  
2928 cybersecurity. Would you share with us a bit more about the  
2929 cyber threat landscape you are seeing, and how you are  
2930 partnering with Federal agencies like the FBI and CISA to  
2931 meet that threat?

2932           \*Mr. Moriarty. Thank you very much for the question.

2933           I guess what I would say to start with is because of the  
2934 cyber threat we took our SCADA system, which is responsible  
2935 for the operation -- safe operations of our systems, we took  
2936 that off our corporate system and we put it into what we call

2937 a DMZ zone, which means nobody can get access to it. So even  
2938 if there is a breach somewhere on our system, it won't get  
2939 into the pipeline's safe operation.

2940 Every day we have threats. We have a scoreboard where  
2941 we see threats coming in in real time. Most -- because of  
2942 the investments we have made, most of those are stopped  
2943 before they become a real threat. However, if there is a  
2944 threat, it is sequestered and then is studied by our team.  
2945 And then we report that to the various authorities -- the FBI  
2946 and others -- and we have briefings constantly with the  
2947 Federal partners to help us address this.

2948 \*Ms. Lee. And Mr. Black, in your written testimony you  
2949 recommended the authorization of a voluntary information  
2950 sharing program. In his confirmation hearing, PHMSA nominee  
2951 Paul Roberti emphasized the importance of information  
2952 sharing, specifically on cybersecurity. Would you share with  
2953 us more your perspective on that subject?

2954 \*Mr. Black. We have a great opportunity to do for  
2955 pipelines what FAA has done to improve safety in aviation.  
2956 In the 2016 pipeline reauthorization law, Congress said PHMSA  
2957 should form a public advisory -- an advisory committee to  
2958 come up with recommendations on how to develop this type of  
2959 program. That work has been done, and it is ready for  
2960 Congress to help authorize it.

2961 The benefit would be that pipeline operators, safety

2962 advocates, and government could all talk about incidents and  
2963 lessons in a safe space so we are not concerned about  
2964 antitrust violations, we are not concerned about the  
2965 information getting out into the wrong hands. It has really  
2966 been successful in aviation where pilots, machinists, anybody  
2967 is able to get that information with the focus on improving  
2968 pipeline safety.

2969           So if Congress can enact voluntary information sharing  
2970 systems similar to what the advisory committee done -- did,  
2971 we will be able to do that type of a program that the NTSB  
2972 and others will be cheering us on.

2973           \*Ms. Lee. And I think it is important to explore  
2974 something you just touched on, which is the concept of being  
2975 able to share that kind of information in a safe space.  
2976 Would you elaborate a little bit more on the types of things  
2977 that can happen if we don't create an environment like that  
2978 -- for example, the information falling into the wrong hands  
2979 -- and how that can exacerbate a vulnerability?

2980           Or, you know, the other potential consequences you face  
2981 if we don't have a clear framework for sharing that kind of  
2982 risk or even breach or incident information.

2983           \*Mr. Black. So pipeline operators themselves maintain a  
2984 lot of different programs for sharing information. We want  
2985 to learn from an incident and get better across the entire  
2986 industry.

2987           But there is a limitation right now in being able to  
2988 have that discussion with government or to have the pipeline  
2989 safety trust in the room. You want pipeline operators to --  
2990 and anybody in the industry to be able to contribute that  
2991 information and understand that that is going to be  
2992 considered confidentially, it is not going to be misused  
2993 against you in enforcement. There should be enforcement  
2994 cases going on, but nothing in here should invoke that so  
2995 that we can do safety.

2996           Right now government isn't allowed to be a part of those  
2997 discussions right now, because they would have to put that  
2998 information out on the street if asked. It has been  
2999 successful in aviation. Let's do it for pipelines.

3000           \*Ms. Lee. Thank you, Mr. Chairman, I yield back.

3001           \*Mr. Latta. Thank you. The gentlelady yields back the  
3002 balance of her time. The chair now recognizes the gentleman  
3003 from New York's 20th district for five minutes for questions.

3004           \*Mr. Tonko. Thank you, Mr. Chair, and welcome to our  
3005 panelists.

3006           While I hope we can reach consensus on a bipartisan  
3007 pipeline safety reauthorization, I have my doubts because  
3008 recent history has shown that Republicans never miss an  
3009 opportunity to promote fossil fuel industry interests. And  
3010 we failed to reach agreement on a bipartisan bill last  
3011 Congress, unlike our colleagues on the Transportation and

3012 Infrastructure Committee, because Republicans couldn't help  
3013 themselves but to include extraneous provisions intended to  
3014 promote oil and gas.

3015         And that dedication to fossil fuels led President Trump  
3016 and congressional Republicans to end critical tax credits for  
3017 fossil fuels' the biggest competitors: renewables in the  
3018 electricity sector and EVs in the transportation sector.  
3019 This happened despite the fact that numerous independent  
3020 analyses found that the Republicans' proposal will raise  
3021 America's energy bills by more than \$100 annually in the near  
3022 term, growing to more than \$400 within a decade.

3023         So during our last markup of energy bills, members of  
3024 the majority continue to invoke the Keystone XL pipeline,  
3025 suggesting that the Obama and Biden Administrations killed  
3026 jobs. But after the big, ugly bill, it has become crystal  
3027 clear who actually cares about American energy jobs. Don't  
3028 take my word for it, listen to the people who construct both  
3029 renewable and pipeline projects. North America's building  
3030 trades unions call the Republicans' big, ugly bill -- and I  
3031 quote -- the biggest job-killing bill in the history of this  
3032 country. It is the equivalent of terminating more than 1,000  
3033 Keystone XL pipeline projects.

3034         So all of these years later, Republicans want to  
3035 continue to relitigate Keystone while enacting a bill that  
3036 will kill an estimated 1.75 million construction jobs,

3037 translating to \$148 billion in lost annual wages and benefits  
3038 for American workers.

3039 But, Mr. Caram, I want to try to highlight a couple of  
3040 issues at PHMSA that may affect its ability to ensure safe  
3041 operations of pipeline infrastructure. Your testimony noted  
3042 that insufficient resources have resulted in PHMSA lacking  
3043 technical capabilities, causing the agency to be overly  
3044 reliant on regulated entities' technical expertise to carry  
3045 out its responsibilities. This is an extremely troubling  
3046 trend being implemented across many agencies by the Trump  
3047 Administration.

3048 Starving important, lifesaving regulatory agencies of  
3049 skilled personnel and resources is a surefire way to allow  
3050 corporate entities to cut corners at the expense of everyday  
3051 Americans and our collective public interests. We are seeing  
3052 this playbook be executed right now as the Trump  
3053 Administration works to eliminate EPA's Office of Research  
3054 and Development and lay off hundreds of chemists,  
3055 toxicologists, and other scientists. And that is because  
3056 these public servants produce independent science that  
3057 regulated industries often don't like. Polluters want their  
3058 regulators to be toothless, to rely upon them for science,  
3059 and to lack the capacity to verify industry, produce studies,  
3060 or enforce rules.

3061 So Mr. Caram, I think you might suggest that there has

3062 been an historic funding challenge at PHMSA, limiting its  
3063 ability to be an effective, independent safety regulator.  
3064 But do you have a sense of whether things will get better or  
3065 worse if Congress further reduces PHMSA funding authorization  
3066 levels as was proposed by committee Republicans just a few  
3067 years ago?

3068 \*Mr. Caram. Yes, I would have to imagine they would get  
3069 worse.

3070 \*Mr. Tonko. So I thank you for that, and I want to  
3071 highlight another disturbing trend being advanced by the  
3072 Trump Administration and Republicans in Congress.

3073 Between the ongoing appropriations process and the big,  
3074 ugly bill, Federal budget cuts are pushing more and more  
3075 costs onto state governments, which will require states to  
3076 fill funding gaps or be forced to cut benefits and services.  
3077 So, Mr. Caram, am I correct that states are partners in the  
3078 effort to conduct inspections and oversight of pipelines?

3079 \*Mr. Caram. Yes. The vast majority of the pipeline  
3080 mileage in this country are under state jurisdiction for  
3081 inspections and enforcement.

3082 \*Mr. Tonko. And if that commitment by the Feds is  
3083 reduced, what happens to the states?

3084 \*Mr. Caram. Yes, state programs, as we have heard  
3085 throughout this hearing, are in need of that funding. They  
3086 can get up to 80 percent of their pipeline safety program

3087 reimbursed by Federal funds through that state grant program.  
3088 And historically, they have not come close to that 80  
3089 percent.

3090 \*Mr. Tonko. So if states are unwilling or unable to  
3091 cover more of the costs to be effective partners, will that  
3092 make Americans more or less safe from potential pipeline  
3093 risks?

3094 \*Mr. Caram. I would imagine safe -- less safe.

3095 \*Mr. Tonko. Less safe, so not an outcome that we should  
3096 all be working towards. So if we can avoid that, we should  
3097 do our best to do so.

3098 With that, I thank you and I yield back, Mr. Chair.

3099 \*Mr. Latta. Thank you. The gentleman yields back the  
3100 balance of his time. The chair now recognizes the gentleman  
3101 from Ohio's 6th district for five minutes for questions.

3102 [Pause.]

3103 \*Mr. Rulli. I am pretty loud. I will just speak.

3104 Thank you, Mr. Chairman. My attention will be directed  
3105 at Andy Black.

3106 I hope you are doing well today. So thank you for your  
3107 support in liquid energy. I really appreciate that. My  
3108 district really much relies on it. So several points of  
3109 focus on how safe pipelines could actually make the Ohio 6th  
3110 a better place to live is we are -- now have a project of a  
3111 cracker plant which will mimic the Monaca cracker plant which

3112 is across the border in Pennsylvania. It is a \$12.5 billion  
3113 project. A lot of union jobs will be building that. It is  
3114 very exciting. It is going to crack the gas into butane,  
3115 propane, heavy gas, liquid gas, all kinds of exciting things.

3116 In the Ohio senate I was instrumental in building three  
3117 gas-powered generating plants. It was a thrill of mine. We  
3118 right now have about \$40 billion worth of potential investors  
3119 that are going to come to the Ohio 6th, and we are going to  
3120 build 6 or 7 more of these. And so what is going to happen  
3121 is the Ohio senate right now has Senate Bill 2, which is the  
3122 energy bill, which is going to direct state money to coexist  
3123 with Federal money as a united force to developing energy.

3124 Data centers are coming up, AI advancement centers are  
3125 coming up, and general manufacturing is coming all along the  
3126 Ohio River. Pipelines support this industry, and sometimes  
3127 run through the -- our neighborhoods, and they need to be  
3128 safe.

3129 One of the most exciting things is the evolution of the  
3130 pipelines that I have seen in my career. And the development  
3131 of what you call the smart pipeline, which I think most of  
3132 the public is ignorant on, smart pipelines actually allow for  
3133 a safer progress of moving gas around through these  
3134 neighborhoods.

3135 The Liquid and Gas Pipeline Advisory Committees were  
3136 created decades ago with the help of PHMSA on safety

3137 rulemaking and policy development. What is your personal  
3138 perspective on the value of these advisory committees and  
3139 their existence with safe pipelines?

3140 \*Mr. Black. Well, the project that you mentioned in  
3141 Ohio and those in the Marcellus are great, wonderful examples  
3142 to create jobs, to benefit, and to not have to take it all  
3143 down to the Gulf Coast, right? So it is great for our  
3144 country to have that flexibility.

3145 The advisory committees were created by Congress to make  
3146 regulations better, right? Any proposal that PHMSA has needs  
3147 to go to the gas or liquid or sometimes both, and that can  
3148 make for a good exchange on helping people understand how a  
3149 regulation should be modified to be more feasible, practical,  
3150 economical.

3151 So it is good that we have those advisory committees,  
3152 and we would look forward to future regulations going there.

3153 \*Mr. Rulli. I think that is really exciting. I think  
3154 that making these committees even more strong is really what  
3155 the exciting part is. Right now these committees are meeting  
3156 four times a year. In your personal opinion, do you think  
3157 that needs to happen more frequently?

3158 And what better ways can we put to have guardrails  
3159 inside these committees to have more safety, more rulemaking,  
3160 more compliance to industry so the industry becomes a safer  
3161 process?

3162           \*Mr. Black. I know some of my gas colleagues believe it  
3163 is important to have a certain number of advisory committees.  
3164 To me, quality is more important than quantity. Let's make  
3165 sure those advisory committee members are up to speed not  
3166 just on regulation, but also on technological developments so  
3167 that everybody understands what the latest possibilities are.  
3168 That may take more meetings.

3169           \*Mr. Rulli. Do you think it is possible that we could  
3170 take the political bent away from these advisory committees  
3171 so it could be more of a bipartisan approach where everyone's  
3172 voice could actually be represented in the committee, and  
3173 nobody would feel left out or threatened to be part of this  
3174 process?

3175           \*Mr. Black. Yes, they are constructed that way, and  
3176 they should be. Yes, sir.

3177           \*Mr. Rulli. Well, I thank you so much for your thoughts  
3178 on this.

3179           And with that, Chair, I yield my time.

3180           \*Mr. Latta. Thank you. The gentleman yields his time  
3181 back, and the chair now recognizes the gentlelady from New  
3182 York's 14th district for five minutes for questions.

3183           \*Ms. Ocasio-Cortez. Thank you so much, Mr. Chairman.

3184           Mr. Caram, I want to touch on something that you  
3185 mentioned in your written testimony, which is that pipeline  
3186 safety law currently prevents the Pipeline Hazardous Material

3187 Safety Administration, or PHMSA, which we are discussing  
3188 today, from imposing safety regulations on existing  
3189 pipelines. And that was, frankly, shocking to me. It means  
3190 that it will be a monumental task to make the existing 3.3  
3191 million miles of pipelines in our communities safer.

3192 Can you talk about how this requirement prevents us from  
3193 making the most dangerous pipelines in America safer?

3194 And should we look at altering that requirement in any  
3195 reauthorization of PHMSA?

3196 \*Mr. Caram. Yes, thank you for that question. The  
3197 Pipeline Safety Act passed by Congress has a section in it, a  
3198 provision, where it says that the design -- any design,  
3199 construction, or initial testing standards adopted by PHMSA  
3200 cannot apply to existing pipelines, only new and replaced  
3201 pipelines.

3202 So, you know, operational regulations and things like  
3203 that can apply to existing pipelines. But those, you know,  
3204 initial testing design and construction standards cannot.  
3205 And what that means in practice is that PHMSA has been unable  
3206 to make certain lifesaving regulatory changes, including  
3207 those recommended by the NTSB after tragedies like San Bruno,  
3208 like requiring rupture mitigation valves in high consequence  
3209 areas that we know would save lives.

3210 So in practice this permanently exempts about half of  
3211 the nation's pipelines from -- and including those at the

3212 highest risk -- from meeting critical modern safety  
3213 standards.

3214 \*Ms. Ocasio-Cortez. Thank you. Thank you so much, Mr.  
3215 Caram. And as you mentioned, it is important to highlight  
3216 something that -- you said half of pipelines in the U.S. are  
3217 essentially blocked from having these additional safety  
3218 standards for communities and workers on them -- in -- and  
3219 being updated to be safer.

3220 Ms. Miller, you represent an association of pipeline  
3221 companies. And I see here in your testimony that it states  
3222 that your members "appreciate improved due process" for  
3223 companies that violate the laws as a priority. I want to  
3224 discuss the consequences for pipeline companies when they  
3225 fail to follow the law and PHMSA's rules.

3226 Just over five years ago an employee of Energy Transfer,  
3227 a pipeline company and a member of your organization, was  
3228 killed while conducting maintenance activities on a gas  
3229 pipeline in Kansas. This employee was attempting to remove  
3230 an object that had become stuck due to ice in a partly  
3231 pressurized pipeline. Now, PHMSA's rules require operators  
3232 to completely depressurize pipelines before working on them.  
3233 But this worker was attempting to remove the object using a  
3234 steel rod. When the object became dislodged, and due to  
3235 remaining pressure in the pipeline -- struck him in the  
3236 abdomen and killed him.

3237           Now Energy Transfer is in court, arguing that it should  
3238 not be held to account for the fact that it did not follow  
3239 PHMSA's rules. Mr. Chair, I seek unanimous consent to enter  
3240 into the record a complaint brought by the Attorney General  
3241 in the Northern District Court of Texas.

3242           \*Mr. Latta. Without objection, so ordered.

3243           [The information follows:]

3244

3245           \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

3246

3247           \*Ms. Ocasio-Cortez. This complaint states that "PHMSA's  
3248 investigation indicates that Energy Transfer failed to follow  
3249 its manual of written procedures for conducting operations  
3250 and maintenance activities at the border station in  
3251 connection with this fatal incident.'" Someone died. Now  
3252 one of the biggest companies in the industry, Energy  
3253 Transfer, is in court arguing that PHMSA shouldn't be able to  
3254 hold any company that violates its rules responsible.

3255           Ms. Miller, you mentioned due process for companies that  
3256 violate laws in your testimony as a priority. In your  
3257 opinion, if a pipeline company does not follow the rules and  
3258 a worker is killed, should PHMSA be able to hold that company  
3259 responsible?

3260           \*Ms. Miller. Thank you for the question, Congresswoman.  
3261 I would say that any specific questions about energy  
3262 transfers and litigation I would have to defer to them. But  
3263 for GPA Midstream members, generally speaking, we do  
3264 encourage that our members are able to rely on a strong  
3265 enforcement protocol, and that it is executed in a way that  
3266 is transparent and complies with law, due process being part  
3267 of that, to ensure that they are -- that there are --

3268           \*Ms. Ocasio-Cortez. I apologize. I only have 15  
3269 seconds left. Should PHMSA be able to hold the companies  
3270 responsible?

3271           \*Ms. Miller. We do believe that PHMSA should be a

3272 strong enforcement agency and equitably apply its rules  
3273 across the industry.

3274 \*Ms. Ocasio-Cortez. Okay, great. So they should be  
3275 able to hold these companies responsible, and yet we are in  
3276 an environment where the Trump Administration and their  
3277 enforcement actions against pipeline companies --

3278 \*Mr. Latta. I am sorry, the gentlelady's time has  
3279 expired.

3280 \*Ms. Ocasio-Cortez. Sure, thank you. Thank you.

3281 \*Mr. Latta. Thank you very much. The chair now  
3282 recognizes the gentleman from Colorado's 8th district for  
3283 five minutes for questions.

3284 \*Mr. Evans. Thank you, Mr. Chair, Ranking Member. Of  
3285 course, also to our witnesses for coming.

3286 Again, you heard Colorado's 8th congressional district,  
3287 so we have got 80 percent of the oil, 50 percent of the  
3288 natural gas in Colorado. That is from the hole in the  
3289 ground, through midstream, through -- we have got the only  
3290 refinery in Colorado, and then final distribution to the end  
3291 users. And so a lot of that, obviously, happens through  
3292 pipelines.

3293 And we know, you know, we have heard in the commentary  
3294 today, pipelines -- safest way to move this liquid energy  
3295 around in terms of accidents.

3296 I want to make sure we also highlight the emissions. We

3297 had a incident in Colorado where some of our -- some of that  
3298 local distribution that relies on the pipelines went down  
3299 during a really, really hard freeze. And so to backfill all  
3300 of that energy that couldn't be transported via pipeline for  
3301 a few months, it was thousands and thousands of trucks  
3302 keeping the Denver metro area going in the dead of winter.  
3303 We have talked, obviously, about the -- you know, the wear  
3304 and tear that that has on the roadway and traffic safety when  
3305 you have that massive increase of vehicles.

3306         But I want to make sure that the emissions component of  
3307 that isn't lost when we are talking about the climate and the  
3308 fact that pipelines are, again, one of the lowest-emission  
3309 sources -- ways of moving some of this energy around. They  
3310 alleviate that critical demand on our electrical  
3311 infrastructure because backfilling, you know, in my area, all  
3312 of the heat that comes from natural gas combustion, which is  
3313 what heats a lot of homes in my area, backfilling that with  
3314 electrical demand is incredibly difficult and challenging and  
3315 costly to a lot of our consumers in Colorado.

3316         We have, unfortunately, seen a first-in-the-nation  
3317 mandated -- a so-called beneficial electrification plan for a  
3318 major utility in Colorado mandating that, even though they  
3319 are not an electrical provider -- they do natural gas  
3320 distribution to customers -- they have to have this so-called  
3321 beneficial electrical plan, which is raising costs for

3322 consumers by dropping those heavy-handed mandates on  
3323 consumers who want energy choice and want to be able to  
3324 choose what works best for them, their family, and their  
3325 budget.

3326           So my first question will be to Mr. Moriarty. Can you  
3327 just talk a little bit about the impact to consumers and to  
3328 consumers' pocketbooks from that utility perspective with the  
3329 current program that we have of making sure that our  
3330 pipelines are regulated, that, as we have heard, the safest  
3331 way to move this energy around, but can we -- can you talk a  
3332 little bit about the impact to the customers if we were to  
3333 take a different path and have more regulatory burden on  
3334 pipelines?

3335           \*Mr. Moriarty. Well, thank you for that question.

3336           All the costs that go in to delivering energy are  
3337 recovered from our customers through state commission rate  
3338 proceedings. One way that we have avoided higher costs is to  
3339 construct LNG storage facilities to meet peak day demand.

3340           So you were talking about freeze-offs. We would have an  
3341 LNG storage facility that would be available. We have one in  
3342 Florida, as well as one now we are building on Delmarva.

3343           \*Mr. Evans. Yes, thank you for that. And then the next  
3344 question will be to Mr. Black.

3345           Obviously, pipeline safety, top of mind for everybody.  
3346 We have talked a lot about it. And so I just want this to be

3347 our -- I think our final thought for this hearing here. We  
3348 need an empowered entity to step up and take action against  
3349 bad actors that put the public safety at risk. And so that  
3350 is why I was glad to see that PHMSA announced revisions to  
3351 its pipeline safety enforcement actions last month to improve  
3352 transparency and fairness.

3353 And so can you just comment on those changes, how they  
3354 alter the enforcement dynamics for operators?

3355 And just talk a little bit about the evidentiary record  
3356 process, as well.

3357 \*Mr. Black. Congress has recognized there are failings  
3358 in how PHMSA has managed its administrative enforcement  
3359 program. In the 2020 PIPES Act, Congress mandated that PHMSA  
3360 improve its procedures, including making the case file  
3361 available to a respondent in a case. Then PHMSA in the last  
3362 administration failed to do that. It happened episodically  
3363 sometimes, not others, and it wasn't really codified in  
3364 regulations.

3365 And so PHMSA has -- it now in the last month, as you  
3366 say, improved that. It is a level playing field, and that is  
3367 all pipeline operators are asking for, due process when PHMSA  
3368 exerts its administrative enforcement program because  
3369 pipeline operators know that PHMSA needs to be active and  
3370 deter unsafe operations, and give Congress and the American  
3371 public confidence that they are on that case, making sure

3372 that we have a safe network.

3373 \*Mr. Evans. Well, with our final 24 seconds, I guess I  
3374 will just close with I think we have heard safety is top of  
3375 mind in this space. We have that record of safety. We have  
3376 that record of being responsible toward the climate, because  
3377 this is one of the lowest-emission ways to move energy  
3378 around. It is cost effective for consumers. And then, in my  
3379 district, this provides high-quality jobs for a high-quality  
3380 workforce that maintain these pipelines.

3381 And I yield back, Mr. Chairman.

3382 \*Mr. Latta. Right on the button. Thank you very much.  
3383 Seeing no further members wishing to be recognized to  
3384 ask questions to our witnesses, I want to thank you all for  
3385 appearing before us for today.

3386 Members have additional written questions that may be  
3387 for you, and I will remind members that they have 10 business  
3388 days to submit additional questions for the record, and I ask  
3389 that the witness do their best to submit their response  
3390 within 10 business days upon the receipt of the questions.

3391 I ask unanimous consent to insert in the record the  
3392 documents included on the staff hearing documents list.

3393 And without objection, that is so ordered.

3394

3395

3396

3397 [The information follows:]

3398

3399 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

3400

3401           \*Mr. Latta. And again I want to thank our witnesses.

3402           And Mr. Black, welcome back, having been a former  
3403 staffer here on the committee.

3404           Also, this is the last hearing that we will have in this  
3405 room until it is our -- I guess we might say worked on. We  
3406 have had a little bit of issues in this room through the  
3407 years, but we really appreciate you being here.

3408           Without objection, the subcommittee is adjourned.

3409           [Whereupon, at 1:22 p.m., the subcommittee was  
3410 adjourned.]