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ONE HUNDRED NINETEENTH CONGRESS

Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
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MEMORANDUM July 16, 2025

TO: Members of the Subcommittee on Energy
FROM: Committee Majority Staff
RE: Hearing titled "Strengthening American Energy: A Review of Pipeline Safety Policy"

I. INTRODUCTION

The Subcommittee on Energy has scheduled a hearing on Tuesday, July 22, 2025, at 10:30 a.m. (ET) in 2322 Rayburn House Office Building. The title of the hearing is "Strengthening American Energy: A Review of Pipeline Safety Policy." This hearing will examine reauthorization of the Pipeline and Hazardous Materials Safety Administration's (PHMSA) pipeline safety program.

II. WITNESSES

- **Andrew Black**, President and CEO, Liquid Energy Pipeline Association (LEPA);
- **Sarah Miller**, President and CEO, GPA Midstream;
- **Jim Moriarty,** Executive Vice President, General Counsel, Corporate Secretary and Chief Policy and Risk Officer, Chesapeake Utilities Corporation; and
- **Bill Caram**, Executive Director, Pipeline Safety Trust

III. BACKGROUND

A. *Pipeline and Hazardous Materials Safety Administration*

The Pipeline and Hazardous Materials Safety Administration (PHMSA) is a U.S. Department of Transportation (DOT) agency that develops and enforces federal safety regulations for the nation's pipeline infrastructure and the transportation of hazardous materials. PHMSA provides oversight of about 3.3 million miles of pipelines and nearly 1 million daily shipments of hazardous materials by land, sea, and air.

PHMSA administers minimum pipeline safety standards for operations, construction, maintenance, and materials; accident and safety reporting procedures; maximum allowable

pressure standards; determination of high consequence areas; pipeline integrity management; data monitoring; leak detection; and emergency response plans.

PHMSA's authorities are principally derived from The Natural Gas Pipeline Safety Act of 1968[1] and the Hazardous Liquid Pipeline Safety Act of 1979[2]. PHMSA's pipeline safety program was authorized under the Protecting Our Infrastructure of Pipelines and Enhancing Safety Act of 2020[3] and expired at the end of Fiscal Year 2023. While the program has not been reauthorized since it expired in 2023, it is funded primarily by user fees assessed on a per-mile basis of each regulated operator. Additionally, Congress has appropriated funds for continued operation.

As of February 2025, PHMSA listed over 300 employees in the Office of Pipeline Safety (OPS), including inspectors and accident investigators. Under its statutory authority, PHMSA may delegate authority to state pipeline safety offices, allowing them to administer safety programs for intrastate pipelines and conduct inspections for interstate pipelines within their state jurisdiction. Because of this important state-federal partnership, PHMSA may reimburse states for up to 80 percent of related expenditures. As the Committee considers PHMSA reauthorization and evaluates the efficacy of the previous reauthorization, there are multiple ongoing PHMSA efforts that have been a priority for Congress and are ripe for review.

B. *Addressing Aging Pipeline Infrastructure*

Pipelines continue to be the safest and most cost-effective mode of transportation for oil, natural gas, other energy products, and hazardous liquid products. In fact, a 2018 report by PHMSA analyzed 10 years of data and found pipelines were 13 times safer than both trains and trucks.[4] As energy demand is projected to significantly grow over the next decade, upgrading our nation's pipeline infrastructure must be prioritized.

Cast and wrought iron pipelines are some of the oldest pipelines constructed in the United States. Because of state and federal safety initiatives and pipeline operators' replacement efforts, the number of cast and wrought iron pipelines in use has significantly declined. In fact, twenty-four states and one territory have completely replaced distribution lines made of these materials within their borders. [5]As of the end of 2024, about 1 percent of natural gas distribution pipelines in the U.S. were made of iron pipe.[6] It will be important for PHMSA to continue to partner with jurisdictions and operators to address aging pipeline infrastructure.

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[1] Natural Gas Pipeline Safety Act of 1968, Pub. L. No. 90-481, 82 Stat. 720 (codified at 49 U.S.C. §§ 60101-60131).
[2] Hazardous Liquid Pipeline Safety Act of 1979, Pub. L. No. 96-129, 93 Stat. 989 (codified at 49 U.S.C. §§ 60101 *et. seq.*).
[3] Consolidated Appropriations Act, 2021, Pub. L. No. 116-260 (Div. R, Sec. 101, Protecting Our Infrastructure of Pipelines and Enhancing Safety Act of 2020), 134 Stat. 1182 (codified at 49 U.S.C. § 60101).
[4] PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION (PHMSA), OFFICE OF HAZARDOUS MATERIALS SAFETY (OHMS), *Report on Shipping Crude Oil by Truck, Rail and Pipeline* (Oct. 2018) (as required by S. Rept. 114-75, at 91 (2015)) https://www.phmsa.dot.gov/sites/phmsa.dot.gov/files/docs/news/70826/report-congress-shipping-crude-oil-truck-rail-and-pipeline-32019.pdf.
[5] PHMSA, *Pipeline Replacement Background*, (last updated Apr. 1, 2025) https://www.phmsa.dot.gov/data-and-statistics/pipeline-replacement/pipeline-replacement-background.
[6] *Ibid.*

C. *Penalties for Pipeline Safety Violations*

Malicious attacks on pipelines and pipeline infrastructure pose significant threats to public safety, national security, and the environment. For example, the 2021 ransomware attack on the Colonial Pipeline, a major artery for refined products along the eastern seaboard, brought pipeline security to the forefront of regulatory and public awareness. PHMSA also focuses on the physical security of pipeline infrastructure, which is equally important. Attacks that do not result in damage but manipulate valves or operating pressures are inherently dangerous due to risk of explosion or product release. Current law applies penalties to damaging energy infrastructure and destroying pipeline infrastructure, but there are no provisions addressing dangerous non-damaging activities.

D. *Limiting Unintended Excavation Damage*

A major challenge for pipeline operators is accidental damage to the pipe or its external coating that is caused by a party inadvertently digging into a buried pipeline. This damage may include dents, scrapes, cuts, or punctures directly into the pipeline. Operators have rigorous damage prevention programs which can reduce risk, like coordination with excavators and state regulators. State one-call notification programs play an important role in addressing excavation damage, but practices between programs can vary. In examining PHMSA, there may be opportunities to streamline one-call programs and develop best practices across the sector.

E. *Special Permits*

Under current law, PHMSA is authorized to "waive compliance with any part of an applicable standard with respect to such facility on terms the Secretary considers appropriate if the Secretary determines that the waiver is not inconsistent with pipeline safety."[7] Following a 2021 Government Accountability Office report reviewing PHMSA's oversight of the Keystone Pipeline,[8] the agency commissioned Oak Ridge National Laboratory to assess the overall efficacy of the special permit program. Oak Ridge's report, released in 2023, concluded with generally positive notes on enforcement of the special permit program, but it did recommend several reforms to the program.[9] However, over the last several years, PHMSA's special permit implementation program has also included extraneous requirements. In examining PHMSA reauthorization, there may be opportunities to improve unnecessary requirements, reviews, and delays.

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[7] 49 U.S.C. §60118(c).
[8] GOV'T ACCOUNTABILITY OFF., REP. GAO-21-588 (published Jul. 22, 2021, publicly released Aug. 23, 2021), *Pipeline Safety: Information on Keystone Accidents and DOT Oversight,* https://www.gao.gov/products/gao-21-588.
[9] U.S. DEP'T OF ENERGY, OAK RIDGE NAT'L LAB'Y (ORNL) (assessment on behalf of PHMSA), *PHMSA Special Permit Process Review* (Oct. 27, 2023), https://www.phmsa.dot.gov/sites/phmsa.dot.gov/files/2023-10/ORNL%20PHMSA%20Special%20Permits%20Review%202023.pdf.

F. *Onshore Gas Gathering Line Regulation*

Natural gas gathering lines, pipelines that collect produced gas from wellheads and transport it to processing facilities or larger transmission pipelines, have historically been a lesser focus of PHMSA due to minimal risk posed to the public. In 2006, PHMSA issued regulations that captured less than 10 percent of all U.S. natural gas gathering lines at the time. The PIPES Act of 2020 required PHMSA to finalize new regulations for onshore gas gathering lines. The final rule, issued by the Biden Administration in November 2021, required operators to report on all natural gas gathering lines. This expanded regulation captures at least 435,000 miles of onshore gathering lines, according to PHMSA, which is a significant expansion of scope. Operators continue to focus on implementation of the final gathering line rule presenting oversight opportunities for the Committee to consider reforms.

G. *Gas Pipeline Leak Detection and Repair Regulation*

Section 114 of the PIPES Act of 2020 also mandated that PHMSA develop regulations requiring natural gas pipeline operators "to conduct leak detection and repair programs to meet the need for gas pipeline safety, as determined by the Secretary; and to protect the environment."[10] The PIPES Act of 2020 also required PHMSA to evaluate "protection of the environment" as a factor in its review of pipeline maintenance and operation plans,[11] which was a significant departure from PHMSA's historic role as solely a safety regulator.

To carry out this statutory mandate, the Biden Administration announced a final rule on January 17, 2025, which required pipeline operators to establish programs to detect and repair all gas leaks, regardless of the level of risk posed by such leak. In accordance with President Trump's memorandum, "Regulatory Freeze Pending Review,"[12] PHMSA withdrew the final rule. Therefore, the rule is currently no longer in effect. However, the Committee and impacted parties will continue to be interested in leak detection and repair rulemakings.

H. *Carbon Dioxide Pipeline Safety Regulation*

Carbon dioxide (CO_2) pipelines are an essential piece to the deployment of carbon capture and storage (CCS) systems. These pipelines are necessary to transport the CO_2 from where it is captured to geological formations capable of underground storage. There are currently approximately 5,300 miles of CO_2 pipelines across the United States. The PHMSA reauthorization of 2011 directed PHMSA to "prescribe minimum safety standards for the transportation of carbon dioxide by pipelines in a gaseous state."[13]

PHMSA announced a Notice of Proposed Rulemaking (NPRM) on January 15, 2025, to establish new safety requirements for CO_2 pipelines. Similar to PHMSA's leak detection and repair rule, this NPRM was withdrawn in accordance with President Trump's regulatory freeze.

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[10] Pub. L. No. 116-260, 134 Stat. 1182 (*see* Sec. 114, codified at 49 U.S.C. 60108).
[11] *Id*.
[12] Memorandum for the Heads of Executive Departments and Agencies, *Regulatory Freeze Pending Review*, 90 Fed. Reg. 8249 (Jan. 20, 2025), https://www.govinfo.gov/content/pkg/FR-2025-01-28/pdf/2025-01906.pdf..
[13] Pub. L. No. 112-90, 125 Stat. 1904 (Jan. 2012).

Given the interest from state regulators in a final PHMSA safety rule, CO_2 pipeline development and regulation may continue to be of interest to the Committee.

I. *Class Location Requirements*

PHMSA's safety regulations for natural gas pipelines use "class location" to categorize risk to the public based on population density near the pipeline. These classifications range from Class 1 (rural) to Class 4 (densely populated) and help determine pipeline design and operating pressures. In October 2020, PHMSA published an NPRM to alter its safety regulations for gas pipelines that have had a change in class location due to population density changes. In March 2024, the Gas Pipeline Advisory Committee discussed the NPRM and potential modifications to technical aspects of the NPRM. A final rule has not been published, but Secretary of Transportation Sean Duffy stated that finalizing the class location rule would be a top priority.[14]

IV. Issues

The following issues may be examined at the hearing:

- Priorities for pipeline safety reauthorization;
- Implementation of the PIPES Act and overdue congressional mandates;
- Oversight of PHMSA's statutory authority and focus on safety; and
- Challenges to safely constructing and operating pipelines.

V. Staff Contacts

If you have any questions regarding this hearing, please contact Clara Cargile or Mary Martin of the Committee Staff at (202)-225-3641.

[14] Press Release, U.S. DEP'T OF TRANSP., Trump's Transportation Secretary Sean P. Duffy Announces Effort to Update Outdated Liquefied Natural Gas Regulations (Apr. 29, 2025) (on file with author), https://www.transportation.gov/briefing-room/trumps-transportation-secretary-sean-p-duffy-announces-effort-update-outdated.