

Testimony of Andrew J. Black
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before the
House Committee on Transportation and Infrastructure
Subcommittee on Railroads, Pipelines and Hazardous Materials
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Mr. Chairman, Ranking Member, Members of the Subcommittee, thank you for inviting me here today to testify on pipeline safety. My name is Andy Black and I am President and CEO of the Association of Oil Pipe Lines (AOPL). AOPL represents liquids pipeline owners and operators transporting crude oil, petroleum products, like gasoline, diesel, jet fuel, and home heating oil, and industrial products, like propane and ethane. We have over 50 member companies which deliver over 21 billion barrels of crude oil and petroleum products annually over a 215,000 mile network of pipelines. AOPL members transport more than 97 percent of interstate barrel-miles.

Pipelines are the safest way to deliver the liquid energy we all need and use every day. Pipelines deliver crude oil and petroleum products to their destination safely 99.999% of the time. No other mode of transportation is as safe for the American people or the environment as pipelines.

Pipelines are getting safer. Over the last 5 years, pipeline operators have reduced the number of liquids pipeline incidents impacting people or the environment by 20%. This is government data publicly available from the U.S. Pipeline and Hazardous Materials Safety Administration (PHMSA). PHMSA data also shows pipeline incidents impacting people or the environment caused by incorrect operation are down 38% over the last 5 years, and pipeline

incidents impacting people or the environment caused by corrosion, cracking or weld failures are down 35% over the last 5 years.

The pipeline industry and AOPL member companies work hard to improve pipeline safety. We are transparent about where we are doing well and where we can do better. The statistics I just shared come from the performance report we develop jointly each year with the American Petroleum Institute analyzing pipeline safety data. We use this analysis to guide our industry-wide safety programs focusing on key pipeline safety issues.

Through this strategic effort the pipeline industry has addressed key safety recommendations from Congress, the U.S. National Transportation Safety Board, PHMSA and issues identified through analysis of pipeline safety data. Recent safety accomplishments include developing new best practices for finding and fixing cracking in pipelines, managing leak detection programs, responding to pipeline emergencies and applying safety management systems to pipelines. Industry has also just released an updated best practice for inspecting and performing maintenance on pipelines utilizing the latest inspection technologies and analytical techniques.

Harnessing technology to advance pipeline safety is a theme we are pursuing across industry and recommend Congress adopt as well. For example, hi-tech tools can now scan pipelines like an MRI or ultrasound at the doctor's office. Pipeline operators have the opportunity to find issues early, perform maintenance and keep pipelines operating safely. The problem is federal regulations can't keep pace with fast-moving technology innovations. In fact, outdated PHMSA regulations sometimes conflict with the latest knowledge and techniques.

Congress can do more to allow PHMSA and pipeline operators to improve safety by pilot testing innovations and learn from shared pipeline safety insights.

AOPL proposals for Congress to harness technology and innovation to improve pipeline safety include:

- creating a pilot program to test cutting edge pipeline safety technologies and newly developed best practices
- authorizing a Voluntary Information Sharing program encouraging joint stakeholder problem solving
- requiring regular PHMSA and stakeholder review of pipeline safety research and development advances
- encouraging voluntary discovery, disclosure, correction and prevention of pipeline safety violations

A top reauthorization priority for AOPL is protecting public safety and the environment from attacks on pipelines. Pipelines are the safest way to deliver the energy American families and consumers use every day. However, pipelines are industrial facilities we must respect to keep them operating safely. Recent attacks on pipeline, either by turning valves in ways that threaten ruptures or shooting guns or blowtorching holes into pipelines are dangerous. Members of the public, surrounding communities and the environment are put in danger by attacks on pipeline facilities that could easily result in a spill or explosion. Congress should deter future attacks against pipeline facilities by closing loopholes in the scope and criminal liability placed in current federal pipeline safety law by previous Congresses on a bipartisan basis.

AOPL also recommends Congress improve PHMSA programs and regulations by:

- helping PHMSA hire and retain expert pipeline inspectors
- improving due process in PHMSA enforcement proceedings
- tailoring pipeline requirements to operating status
- adjusting PHMSA incident reporting requirements for inflation
- incorporating the latest best practices on inspections, repair and tank maintenance

AOPL believes there is a great amount of work that Congress can do to improve pipeline safety on a non-partisan or bi-partisan basis as has been custom in prior reauthorization bills. Several of AOPL's proposals would specifically engage stakeholders from all ends of the political spectrum in the joint effort of pipeline safety. The VIS program is supported by labor unions, environmental groups, pipeline safety advocates, PHMSA and pipeline operators. Further attention to R&D would come in a forum which includes environmental groups, pipeline safety advocates, federal and state regulators and industry. Our proposal to help PHMSA hire and retain pipeline inspectors would be paid for by industry itself through user fees. All of these proposals are designed to improve pipeline safety.

Again, thank you for inviting me here today. I look forward to answering any of your questions on these proposals, our pipeline safety performance record, or the actions the pipeline industry is taking to improve pipeline safety.

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