

**TESTIMONY OF
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**ON BEHALF OF THE INTERSTATE NATURAL GAS ASSOCIATION OF
AMERICA (INGAA)**

**BEFORE THE
SUBCOMMITTEE ON RAILROADS, PIPELINES & HAZARDOUS
MATERIALS
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
U.S. HOUSE OF REPRESENTATIVES**

**PROMOTING AND IMPROVING SAFETY AND EFFICIENT PIPELINE
INFRASTRUCTURE**

February 25, 2025

Chairman Webster, Ranking Member Titus, and Members of the Subcommittee:

Good morning. My name is Eric Taylor, and I serve as the Director of Engineering Services for BHE GT&S.

Thank you for the opportunity to testify on behalf of the Interstate Natural Gas Association of America (INGAA) on promoting and improving safety and pipeline infrastructure. We appreciate the Subcommittee's leadership and ongoing efforts to develop a measure that would reauthorize the Office of Pipeline Safety within the Pipeline and Hazardous Materials Safety Administration (PHMSA).

Background

BHE GT&S is an interstate natural gas transmission and storage company headquartered in Glen Allen, Virginia, with operations in 10 states between New York and Florida. BHE GT&S is an indirect wholly owned subsidiary of Berkshire Hathaway Energy. BHE GT&S operates 5,400 miles of natural gas transmission pipelines with more than 985,000 horsepower, 100 miles of natural gas liquids pipelines, and 756 billion cubic feet (Bcf) of total natural gas storage — with 420 Bcf of working gas capacity — along with a gathering and processing company. We also provide liquified natural gas (LNG) for U.S. customers through Pivotal LNG and operate Cove Point, LNG — an import, export and liquefaction facility in Lusby, Maryland. In 2024, BHE GT&S delivered over 2.2 trillion cubic feet of natural gas to its customers.

BHE GT&S provides service to many large customers such as major utilities, power plants and industrial manufacturers, through numerous links to major pipelines. BHE GT&S is

committed to providing customers with innovative and sustainable solutions that help its customers transport natural gas safely, reliably and efficiently in their markets.

BHE GT&S is a member of INGAA, the Southern Gas Association (SGA), and the Pipeline Research Council International (PRCI). As a member of these organizations, BHE GT&S shares and learns from some of the brightest and most innovative minds within our industry. PRCI, for example, provides an excellent opportunity to collectively fund research to improve the understanding of failure mechanisms and identify methods to more accurately characterize and address pipeline safety. PRCI also provides research to meet the needs of future fuels to support operators' efforts to safely transport those fuels and associated products.

INGAA is a trade association specifically representing the interstate natural gas pipeline and storage industry. INGAA's member companies transport most of the natural gas consumed in the United States through a network of approximately 200,000 miles of interstate transmission pipelines. These large capacity, critical infrastructure systems are analogous to the Interstate Highway System and span multiple states and regions. INGAA members are primarily focused on serving customers like local distribution companies, electricity generators, industrial manufacturers and LNG export facilities.

I work out of the BHE GT&S Bridgeport, West Virginia office. I began my career as an engineer in the gas control group and conducted system modeling to evaluate the most efficient methods to transport natural gas through our pipeline system. This modeling ultimately reduced fuel consumption and related emissions. I gained a great understanding of how our pipeline system operates throughout the year, how we rely on our storage capabilities to meet peak demand, and how critical our pipeline system is to ensure consistent deliverability of electricity near our pipeline system as electric generation facilities consume large quantities of gas to balance the grid during the hottest days.

I have focused the last 10 years of my career on pipeline safety, which includes ensuring BHE GT&S meets PHMSA compliance. Throughout my career, I have helped improve pipeline safety by studying the root causes of failures and near miss incidents, by implementing lessons learned from those incidents to help reduce the likelihood of a similar event, and by evaluating new technologies to support the reduction of methane emissions. BHE GT&S supports and participates in various industry groups to better understand and mitigate threats to our natural gas and liquid pipeline systems and LNG facilities. I am currently an executive board member of PRCI and will present at multiple SGA events this year. Previously, I chaired the INGAA pipeline safety committee in 2023 and 2024.

I have been engaged in the last two major PHMSA rule makings – the Leak Detection and Repair (LDAR) and the Class Location proposed rules. I assisted in the development of INGAA and joint trade comments on PHMSA's LDAR Notice of Proposed Rulemaking (NPRM). And I was very involved in the Gas Pipeline Advisory Committee (GPAC) meetings in November 2023 and March 2024, where I helped educate industry GPAC members on proposed regulations and made multiple public comments on the LDAR and Class Location proposed rules. After the GPAC meetings, I worked with joint industry groups to formulate comments on both proposed rules.

For more than a decade, the shale revolution has gifted our country with abundant natural gas supplies, which has elevated the need for additional infrastructure to transport natural gas across the country. Pipelines reliably deliver North America's abundant natural gas reserves to fuel our homes and businesses and are the safest mode of natural gas transportation. The North American Electric Reliability Corporation indicated in its recent [summer assessment](#) that "natural gas supply and infrastructure is vitally important to electric grid reliability, particularly as variable energy resources satisfy more of our energy needs.

The INGAA membership is committed to transporting natural gas in a safe, reliable and environmentally responsible manner. Our industry has a long history of supporting Congress' enactment of bipartisan pipeline safety reauthorization measures, which help advance the safe operation and maintenance of critical energy infrastructure.

We applaud the Committee for employing such a strategy in the 118th Congress when it approved via voice vote H.R. 6494, the Pipeline Efficiency and Safety (PIPES) Act of 2023, which would have reauthorized for four years the Pipeline and Hazardous Materials Safety Administration's (PHMSA) pipeline safety programs. Additionally, H.R. 6494, which contained the priorities of the interstate natural gas pipeline sector, would have provided an efficient and effective framework to advance the safety of energy infrastructure across the United States. As you begin your deliberations to draft, and ideally, enact a pipeline safety reauthorization measure, there are several points I would like to make on behalf of the natural gas transmission pipeline industry.

1. INGAA supports having a strong safety regulator

The U.S. Department of Transportation, PHMSA, other regulators and industry experts have for decades agreed that pipelines are the safest mode of natural gas transportation. According to PHMSA, these linear infrastructure networks transport large quantities of natural gas and petroleum products, with over 99.999% of all pipeline deliveries being made safely each year. Accidents are rare, and INGAA's members are committed to a goal of zero pipeline incidents.

INGAA supports having a strong safety regulator and the robust, durable and consistent regulations led by PHMSA to ensure accountability of operators. We take our commitment to safety seriously and appreciate PHMSA's role in ensuring that the industry maintains its safety focus and that the public is confident in the safety and reliability of natural gas pipelines.

INGAA's members purchase top-quality materials, address potential safety or security issues during the pipeline planning and siting processes, and conduct consistent quality and safety checks throughout the construction process. Pipeline companies strive for zero accidents and incidents by evaluating, inspecting and maintaining pipelines. Our members evaluate and learn from information and data shared at joint industry meetings and as part of PHMSA and NTSB investigations to prevent similar events from occurring on individual systems.

As part of ongoing safety programs, pipeline companies conduct integrity management and continuous improvement programs in the areas of evaluation, inspection and maintenance. A critical component of integrity management programs is the use of inline inspection tools, which

are often referred to as smart pigs. Operators run these tools to detect potentially harmful defects in pipelines. Over the last 30 years, modern methods of pipe inspection have improved greatly and become more effective, efficient and environmentally sound compared to other assessment methods, with the added benefit of nominally interrupting pipeline operations.

For example, BHE GT&S was an early user of inline inspection tools to identify anomalies. We recognize this is the most efficient and accurate method to identify, evaluate and track possible system anomalies and collaborate with service providers to expand the use of inline inspection technology on our pipelines that are more difficult to assess. BHE GT&S also was an early user of inline inspection technologies and processes for storage wells to help ensure storage integrity. BHE GT&S reviews in detail near misses, accidents and incidents to identify causal factors, learn from them and implement measures to prevent reoccurrence. BHE GT&S uses information and data shared at joint industry meetings and as part of PHMSA and NTSB investigations to evaluate our pipeline system, procedures, training and design and implement improvements to prevent a similar event from occurring on our system. We also work with external agencies to conduct emergency simulations to evaluate how we can work together to minimize any potential impact to the public.

INGAA's commitment to safety has been an essential priority for years. After the unfortunate and tragic incident in San Bruno, California, in 2010, INGAA's member companies have proactively worked to improve the industry's safety performance. This effort resulted in the formation of the Integrity Management, Continuous Improvement, or IMCI, program. The program is anchored by a goal of zero pipeline incidents, and since its inception, the pipeline industry has made rapid advances in safety technology and practices in pursuit of achieving this goal. The program was recently updated to include input from PHMSA, the National Transportation Safety Board, the National Association of Regulatory Utility Commissioners, the National Association of Pipeline Safety Representatives, and the Pipeline Safety Trust. The program follows five guiding principles:

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

INGAA's work on the updated IMCI program – IMCI 2.0 – and the related results were shared with key stakeholders.

2. PHMSA should promulgate the Class Location Rule

INGAA's top regulatory priority with PHMSA is completion of the Class Location rule, which presents opportunities to improve safety, protect the environment, and possibly increase capacity of existing infrastructure that has been downrated due to a class change. Class location change regulations have not been substantially updated in more than 50 years. Revising them has been an INGAA goal for more than two decades. We were pleased when PHMSA issued a

Notice of Proposed Rulemaking (NPRM) on the Class Location Rule in October 2020. Operators appreciated that Congress included a provision in the enacted 2020 Protecting Our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act requiring the agency to convene a meeting of the Gas Pipeline Advisory Committee (GPAC) comprised of industry, government and public stakeholders to provide policy recommendations and review the NPRM by the end of 2021.

This proposed rulemaking would address scenarios where population changes around pipelines necessitate changes to existing pipeline infrastructure. When a class location change occurs, current regulations may require operators to replace existing pipe. This can be required even when an engineering assessment using modern inspection tools ensures the pipeline segment can continue to safely operate at the same historical maximum allowable operating pressure. Advancements in inline inspection tools and other safety technologies help enhance company decisions to make repairs and, in most cases, eliminate the need for disruptive pipe replacements.

Existing regulations require unnecessary pipe replacements due to class changes. When PHMSA requires operators to replace pipes, operators must ensure gas is absent from the pipeline segments to be replaced, which results in service disruptions and released emissions. When operators are forced to replace pipe that can continue to operate safely at its historical maximum allowable operation pressure, the public and landowners also are affected because of the excavation and land impact associated with replacing pipe. INGAA estimates that existing requirements to unnecessarily replace perfectly safe pipe cost its members \$200-\$300 million per year. These funds could be better allocated to address other aspects of our safety systems.

INGAA also estimates that class change pipe replacements under the current regulations result in up to 800 million standard cubic feet of natural gas blowdowns to the atmosphere annually which equals the amount of gas that could meet the needs of more than 10,000 homes. The optimal way for the pipeline industry to reduce methane emissions is to decrease the number of blowdowns or voluntary gas releases. Finalizing the rulemaking would lower methane emissions by eliminating preventable releases.

In place of a class location pipeline replacement change, INGAA members have submitted special permit applications to demonstrate their pipelines can continue to operate safely at their same historical maximum allowable operating pressures. However, these applications take a long time to approve, are inconsistent in their requirements, and are burdensome to the pipeline sector and PHMSA. Problems include the regularity of the changing process and the fact that it can take up to three years to approve a single permit. Finalizing the class location rule can improve safety by requiring the appropriate assessments for a miles long pipeline segment, from launcher to receiver, as opposed to the replacement of a small section of pipe that could range 100 to 1000 feet, meeting current class location replacement requirements to maintain the existing maximum allowable operating pressure. It can also provide regulatory certainty and consistency for industry stakeholders and the regulator because it would allow modern technological tools to inspect pipeline infrastructure in lieu of outdated methods.

PHMSA held a class location GPAC meeting last March. At the GPAC meeting, interstate natural gas pipeline industry members recommended an improved method of using a risk-based

application to determine class. This new method expanded the scope of the final rule beyond that of the proposed rule to address broader class location concerns and ensure risk is properly identified on pipeline systems. As a result of this proposal, the Committee overwhelmingly voted to hold a second advisory committee meeting in March 2025.

INGAA is hopeful that PHMSA will publish a final rule before year-end 2026 to improve safety and meet the collective goal of the industry and the public to lower GHG emissions. INGAA strongly supports the Committee's mandate for PHMSA to complete this rulemaking within 90 days after the enactment date of H.R. 6494.

3. Gas Transmission Rule Part 1 (RIN 1) record keeping issue

In Section 23 of the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011, Congress required PHMSA to "...issue regulations for conducting tests to confirm the material strength of previously untested natural gas transmission pipelines..." PHMSA completed this congressional mandate October 1, 2019, issuing the gas transmission rule part 1 (RIN 1). This rule governs testing and record keeping requirements for the maximum allowable operating pressure (MAOP), which determines the amount of natural gas that can move safely through a pipeline. Since the 1950s and even earlier before testing and record keeping requirements were required by federal code in 1970, operators have regularly conducted these tests to ensure a pipeline is safe prior to entering service.

While INGAA supported PHMSA promulgating its RIN 1 regulation, the agency made drafting errors related to the MAOP record keeping requirements that would result in the natural gas pipeline transmission industry needlessly retesting about 50,000 miles of previously pre-1970 tested pipelines if modern-day record keeping standards are not met. Changes to the regulation to state that only previously untested pipelines are required to be tested are critical. In 2022, PHMSA published a regulatory interpretation letter on this subject, illustrating the problematic regulatory text and could be enforced by state regulators. In response, PHMSA created a formal working group and met several times in 2024 with INGAA and the Pipeline Safety Trust, a public safety stakeholder, to craft a regulatory solution.

Without a durable regulatory fix, INGAA members would be forced to retest previously tested pipelines with no added safety benefit and causing disruptions to communities and unnecessarily venting of gas. This would cost operators billions of dollars which could be better deployed advancing actual safety measures. The interstate gas pipeline sector continues to advocate for this regulation to be clarified and resolved through legally durable regulatory changes in 2025 to provide pipeline operators certainty on required pipeline work to satisfy the July 2028 regulatory requirement.

INGAA commends the Committee statutorily address this issue by including a provision in the PIPES Act of 2023 to temporarily prohibit PHMSA from requiring operators to retest previously tested pipelines with documented records showing a sufficient minimum pressure until a working group report and rulemaking proceeding is completed.

4. Enforcement reform

PHMSA has five regional offices where its inspectors audit pipeline operators and issue enforcement actions based on their findings. In recent years, PHMSA has promulgated several significant rules affecting the gas transmission sector and resulting in substantial changes to the code. During the prior administration, PHMSA began inspecting and enforcing these new regulations. Under existing PHMSA enforcement processes, each regional office acts mostly autonomously with little oversight from the agency headquarters. This process produces multiple problematic enforcement cases that have substantial impacts. A single improperly written enforcement action has the potential to compel operators to make costly changes completely outside of the rulemaking process. An incorrect interpretation of the code requirement can be referenced in subsequent enforcement cases as justification for the enforcement case to proceed, and an operator could be incorrectly identified as being out of compliance with the regulation.

The agency's inspectors are uninvolved in the rulemaking process and often are unaware of the background to understand regulatory intent. Inspections that are typically scheduled to last a week or two regularly drag out for months. Furthermore, many inspectors employ creative interpretations of regulations to penalize operators when the action identified has no measurable safety impact. Several pipeline operators have challenged these enforcement actions via litigation, which is costly and time consuming for both the industry and PHMSA.

INGAA requests PHMSA reform its enforcement processes. Specifically, interstate operators continue to advocate for requiring the agency's senior career leadership in the offices of field operations and policy and programs to review all draft enforcement actions to ensure consistent application and interpretation of the regulation, the application of the regulation meets the original intent of the regulation, set time limited audits, and mandate that all enforcement actions be directly tied to risk-based safety threats.

5. Improve PHMSA application approval process

PHMSA is required to review applications from pipeline operators in several key areas. These requests stem from aspects of federal regulations where the code allows operators to utilize different methodology than what is prescribed, broader notification requirements and allowing exceptions to the code in certain circumstances.

For all these different scenarios, PHMSA has increasingly delayed responses, periodically disregarded statutory deadlines to provide adequate responses or modified requirements for similar activities over the years. In some instances, applications can take years for PHMSA to respond. Pipeline operators file these requests typically due to major reliability, financial or safety implications, and often conduct engineering-critical assessments to calculate the remaining strength of a pipeline based on known inputs such as threats, loadings, operational circumstances, mechanical and fracture material properties, and degradation processes, giving operators the information needed to understand the health of their assets. Delayed responses to these applications can have substantial impacts on pipeline operators.

INGAA encourages PHMSA to create uniform processes for all applications with quicker approval times by year-end 2025.

6. Gas Pipeline Advisory Committee (GPAC) reform

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

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

Historically, GPAC met regularly to consider important rules and discuss important safety advancements. Since January 2021, GPAC has only convened three times. The 2022 - 2024 GPAC Charter states that GPAC meets approximately 4 times each year. It also states that GPAC members are to be appointed based on their experience in the safety regulation of the transportation of gas and pipeline facilities or must be technically qualified to evaluate gas pipeline safety standards or risk-management principles by their training, experience or knowledge in one or more fields of engineering that are applicable to the transportation of gas or operation of a gas pipeline facility. With the known benefits of GPAC, INGAA believes that Congress should consider requiring PHMSA to hold at least two GPAC meetings annually and ensure GPAC members are experienced in safety regulations of gas pipelines and pipeline facilities or be technically qualified, meeting the 2022-2024 charter requirement.

PHMSA has disagreed with unanimous GPAC recommendations to several important final rules without providing a technical basis on why it disagreed with the recommendations. While INGAA does not challenge PHMSA's independence to render decisions, we believe Congress can strengthen transparency by receiving reports from PHMSA on their rationale and conclusions when issuing final rules. INGAA appreciated this Committee's inclusion of a provision accomplishing this goal in H.R. 6494.

7. Voluntary information sharing system

Industry recognizes the importance of data sharing and proactively attempts to participate in industry organizations to share lessons learned; however, there are many roadblocks to effectively sharing lessons learned across the broader industry. INGAA supports the bipartisan bill passed by this Committee in the 118th Congress for the voluntary information sharing system. Industry requires the proper protections to share a detailed analyses of the cause or causes of a pipeline failure, abnormal operating conditions or near miss incident that could then

be understood by other operators to effectively develop a remedial action plan to address causal factors.

Conclusion

To fulfill America's energy, economic, security and environmental goals and continue to improve pipeline safety, INGAA stands ready to work in a bipartisan manner. We are prepared to enact durable pipeline safety reforms that enable safe operations of our infrastructure to maintain the reliable delivery of natural gas.

In conclusion, your efforts are vital to ensure PHMSA has the resources and direction to continually improve safety in our industry. I truly appreciate the opportunity to testify in front of the Subcommittee today and look forward to your questions.