

EXPRESSING SUPPORT FOR DESIGNATION OF JUNE 10TH
AS “NATIONAL PIPELINE SAFETY DAY”

JUNE 9, 2009.—Referred to the House Calendar and ordered to be printed

Mr. OBERSTAR, from the Committee on Transportation and
Infrastructure, submitted the following

R E P O R T

[To accompany H. Res. 484]

[Including cost estimate of the Congressional Budget Office]

The Committee on Transportation and Infrastructure, to whom was referred the resolution (H. Res. 484) expressing support for designation of June 10th as “National Pipeline Safety Day,” having considered the same, report favorably thereon without amendment and recommend that the resolution be agreed to.

PURPOSE OF THE LEGISLATION

House Resolution 484 supports the designation of June 10 as “National Pipeline Safety Day.”

BACKGROUND AND NEED FOR LEGISLATION

June 10, 2009, marks the 10th anniversary of the deadly Olympic Pipe Line explosion in Bellingham, Washington, which caused the release of about 237,000 gallons of gasoline into a creek that flowed through Whatcom Falls Park. The gasoline ignited, sending a fireball about 1.5 miles down the creek, which took the lives of two 10-year-old boys, Stephen Tsiorvas and Wade King, and an 18-year-old young man, Liam Wood. Eight additional injuries were documented. A single-family residence and the city of Bellingham’s water treatment plant were severely damaged.

According to the National Transportation Safety Board (NTSB), which investigated the accident, a number of events and conditions set the stage for the June 10, 1999 rupture. First, IMCO General Construction, Inc. damaged the pipeline in the vicinity of the rupture during excavation activities related to the construction of a nearby water treatment plant. The NTSB found that had the pipe-

line not been weakened by the excavation damage, it would have been able to withstand the pressure that occurred on the day of the rupture, and the accident would not have happened. Although the damage was detected during subsequent in-line inspections of the pipeline in 1996 and 1997, Olympic did not excavate and inspect the pipeline to repair the damage.

Second, during construction of the Bayview products terminal, pressure relief valves were installed that were found to be improperly configured or adjusted, and the actions taken by the company to test and correct the valve settings were ineffective. When the Bayview terminal came on line about six months before the accident, controllers discovered operational issues that they believed resulted from the proximity of the Bayview terminal to a previously existing pumping station. The controllers said they did not believe they were adequately trained or otherwise prepared to deal with these operational issues. The controllers reported these issues, but they were never corrected. Finally, on the day of the accident, the Supervisory Control and Data Acquisition (SCADA) system that controllers used to operate the pipeline became unresponsive, making it difficult for controllers to analyze pipeline conditions and make timely responses to operational problems.

As a result of Olympic Pipe Line's failures, the Department of Transportation's (DOT) Research and Special Programs Administration announced that it was seeking a \$3.05 million penalty against the pipeline operator. According to the press release:

Today we are seeking the largest civil penalty in the history of our pipeline safety program. In cases like this, where a pipeline operator fails to take appropriate actions to ensure safety, we will penalize the company to the fullest extent possible to ensure full compliance with federal safety rules.

Five years later, DOT settled the fine for \$250,000, a 92 percent reduction.

The tragedy did, however, lead to the creation of the Pipeline Safety Trust, a safety organization based on the efforts and recommendations of SAFE Bellingham and the families of the children who were killed in the 1999 explosion. On June 18, 2003, a U.S. district court judge ordered that \$4 million of Olympic Pipe Line's criminal fines imposed as a result of the Bellingham tragedy be awarded as an endowment to fund the Pipeline Safety Trust. Since that time, the Pipeline Safety Trust has worked with Congress, safety advocates, the industry, and the public to enhance pipeline safety for the betterment of communities and a healthier environment.

A year after the Bellingham accident, on August 19, 2000, another serious accident occurred on a natural gas transmission pipeline operated by El Paso Natural Gas Company near Carlsbad, New Mexico. The released gas ignited and burned for 55 minutes. Twelve persons who were camping near the pipeline were killed and their three vehicles destroyed. Two nearby steel suspension bridges for gas pipelines crossing the river were also extensively damaged. The NTSB determined that the probable cause of the rupture and subsequent fire was a significant reduction in pipe wall thickness due to severe internal corrosion. The severe corro-

sion had occurred because El Paso's corrosion control and pipeline inspection program failed to prevent, detect, or control internal corrosion within the pipeline.

Although most shipments of natural gas and liquid petroleum move through the pipeline system safely and without incident on a daily basis, pipeline accidents, such as the accidents in Bellingham and Carlsbad, are not isolated events. According to the Pipelines and Hazardous Materials Safety Administration (PHMSA), which now oversees the safety of the nation's 2.2 million miles of gas and hazardous liquid pipelines, 2,888 significant pipeline incidents occurred between 1999–2008, resulting in 173 fatalities, 632 injuries, and \$2.7 billion in property damage. However, pipelines generally have a better safety record (deaths, injuries, fires/explosions) than other modes of transportation. For example, compared to the pipeline record, there are 87 times more oil transport truck-related deaths, 35 times more oil transport truck-related fires/explosions, and twice as many oil transport truck-related injuries.

In 2002, Congress enacted the Pipeline Safety Improvement Act of 2002 (P.L. 107–355), which addressed many of the concerns that were raised following the Bellingham and Carlsbad accidents. The bill provided for State enforcement of the one-call notification program; increased penalties for violations of safety standards; required the development of qualification programs for employees who perform sensitive tasks; strengthened pipeline testing requirements; established a public education program for communities that live around pipelines; required government mapping of the pipeline system; and enhanced whistleblower protections.

In 2006, Congress furthered pipeline safety by enacting the Pipeline Inspection, Protection, Enforcement, and Safety Act (PIPES Act) (P.L. 109–468).

The PIPES Act required DOT to issue a rule ensuring that all low-stress hazardous liquid pipelines are subject to the same standards and regulations as other hazardous liquid pipelines. It also strengthened DOT's enforcement by increasing the number of Federal pipeline safety inspectors from 90 to 100 in 2007, 111 in fiscal year 2008, 123 in fiscal year 2009, and 135 in fiscal year 2010—a 50 percent increase in inspectors by 2010.

The PIPES Act also strengthened PHMSA's authority to order pipeline operators to take corrective action to remedy a condition that poses a threat to public safety, property, or the environment. It strengthened the DOT's authority to help facilitate the restoration of pipeline operations during manmade or natural disasters, and it required implementation of a number of NTSB recommendations regarding worker training, fatigue, the installation of excess flow valves, and standards for SCADA systems.

In addition, the PIPES Act required operators of natural gas distribution pipelines to implement a pipeline integrity management program with the same or similar integrity management elements as the hazardous liquid and natural gas transmission pipelines. Distribution pipelines make up 1.8 million miles of the 2.2 million miles of pipelines in the United States. They distribute gas to local towns, businesses, and homes, and are responsible for the majority of pipeline deaths and injuries.

To increase accountability among pipeline operators and their senior executives, the PIPES Act required the certification and signature of annual and semi-annual pipeline integrity management program performance reports by a senior executive officer of the company operating the pipeline. In addition, the PIPES Act increased transparency by requiring monthly public summaries of all gas and hazardous liquid pipeline enforcement actions taken by the DOT, and required the Secretary to review incident reporting requirements for operators of natural gas pipelines to ensure that the data collected is accurate.

Despite these significant measures, much work remains. It has been more than two years since enactment of the PIPES Act and DOT has not implemented many of the statutory mandates required by the legislation. The list of regulations required by the PIPES Act that have not been issued by PHMSA includes the following:

- final regulations for low-stress hazardous liquid pipelines;
- regulations prescribing minimum standards for integrity management programs for distribution pipelines and the use of excess flow valves;
- regulations requiring pipeline operators to develop and implement a human factors management plan designed to reduce risks associated with human factors, including fatigue; and
- regulations implementing the NTSB's SCADA recommendations.

With regard to security, the PIPES Act required the DOT Inspector General to conduct an assessment of the actions taken to implement the annex to the memorandum of understanding between the DOT and the Department of Homeland Security relating to pipeline security.

On May 21, 2008, the DOT Inspector General released the results of the assessment, entitled "Actions Needed to Enhance Pipeline Security," which found that PHMSA and the Transportation Security Administration (TSA) have taken initial steps toward formulating an action plan to implement the provisions of the annex; however, further actions are needed because the current situation is far from an "end state" for enhancing the security of the nation's pipeline system.

The Committee intends to hold further hearings on the implementation of the PIPES Act and to continue to promote pipeline safety.

SUMMARY OF THE LEGISLATION

H. Res. 484 expresses support for the designation of June 10th as "National Pipeline Safety Day"; encourages state and local governments, safety groups, industry, and other pipeline stakeholders to promote pipeline safety; and urges individuals across the nation to become more aware of the pipelines that run through their communities, and to take appropriate safety measures to prevent damage to underground pipelines.

LEGISLATIVE HISTORY AND COMMITTEE CONSIDERATION

On June 25, 2008, the Subcommittee on Railroads, Pipelines, and Hazardous Materials held a hearing on Implementation of the

Pipeline Inspection, Protection, Enforcement, and Safety Act of 2006.

On May 21, 2009, Congressman Rick Larsen introduced H. Res. 484, expressing support for designation of June 10th as “National Pipeline Safety Day”.

On June 4, 2009, the Committee on Transportation and Infrastructure met in open session to consider H. Res. 484. The Committee ordered H. Res. 484 reported favorably to the House by voice vote with a quorum present.

RECORD VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires each committee report to include the total number of votes cast for and against on each record vote on a motion to report and on any amendment offered to the measure or matter, and the names of those members voting for and against. There were no recorded votes taken in connection with consideration of H. Res. 484 or ordering the resolution reported. A motion to order H. Res. 484 reported favorably to the House was agreed to by voice vote with a quorum present.

COMMITTEE OVERSIGHT FINDINGS

With respect to the requirements of clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee’s oversight findings and recommendations are reflected in this report.

COST OF LEGISLATION

With respect to the requirements of clause 3(d)(2) of rule XIII of the Rules of the House of Representatives, H. Res. 484 is a resolution of the House of Representatives, and therefore does not have the force of law. As such, there is no cost associated with this resolution for fiscal year 2009, or for any fiscal year thereafter.

COMPLIANCE WITH HOUSE RULE XIII

1. With respect to the requirement of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, and section 308(a) of the Congressional Budget Act of 1974, the Committee advises that the resolution contains no measure that authorizes funding, so no comparison of the total estimated funding level for the relevant programs to the appropriate levels under current law is required.

2. With respect to the requirement of clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee advises that the resolution contains no measure that authorizes funding, so no statement of general performance goals and objectives for any measure that authorizes funding is required.

3. With respect to the requirement of clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee advises that the resolution contains no measure that authorizes funding, so no cost estimate nor comparison for any measure that authorizes funding is required.

COMPLIANCE WITH HOUSE RULE XXI

Pursuant to clause 9 of rule XXI of the Rules of the House of Representatives, H. Res. 484 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(d), 9(e), or 9(f) of rule XXI of the Rules of the House of Representatives.

CONSTITUTIONAL AUTHORITY STATEMENT

With respect to clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, H. Res. 484 is a resolution of the House of Representatives, and therefore does not have the force of law. As such, clause 3(d)(1) of rule XIII does not apply.

FEDERAL MANDATES STATEMENT

H. Res. 484 contains no federal mandates.

PREEMPTION CLARIFICATION

Section 423 of the Congressional Budget Act of 1974 requires the report of any Committee on a bill or joint resolution to include a statement on the extent to which the bill or joint resolution is intended to preempt state, local, or tribal law. The Committee states that H. Res. 484 does not preempt any state, local, or tribal law.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act are created by this resolution.

APPLICABILITY TO THE LEGISLATIVE BRANCH

The Committee finds that the resolution does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act (P.L. 104-1).

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

H. Res. 484 makes no changes in existing law.