



**American
Fuel & Petrochemical
Manufacturers**

April 20, 2016

The Honorable Bill Shuster, Chairman
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Washington, D.C. 20515

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The Honorable Peter DeFazio, Ranking Member
2164 Rayburn House Office Building
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*RE: Protecting our Infrastructure of Pipelines and Enhancing Safety Act of 2016/PIPES Act of 2016
(H.R. 4937)*

Dear Chairman Shuster and Ranking Member DeFazio:

The American Fuel & Petrochemical Manufacturers (AFPM), a national trade association representing more than 97 percent of U.S. refiners and the majority of petrochemical manufacturers, appreciates your leadership to reauthorize the Pipelines and Hazardous Materials Safety Administration (PHMSA).

Pipeline safety is of key importance to AFPM member companies, as they rely on pipelines to transport raw materials to refineries and petrochemical facilities, and to ship the refined products to market. According to PHMSA, pipelines are considered one of the safest and most cost-effective means of transporting large volumes of oil, petroleum products, and natural gas. We appreciate the improvements made in the Manager's Amendment and the bipartisan progress made in some key areas, but believe additional changes are warranted before final passage.

AFPM recognizes that PHMSA plays an important role in pipeline safety and regulatory compliance. However, Section 16 would provide PHMSA with extraordinary enforcement authority and as such, the emergency order provision must be narrowly tailored to prevent agency overreach and allow the energy industry to continue providing affordable and abundant fuel in a safe and reliable manner. Importantly, we believe that the judicial review language needs to be strengthened. Congress must ensure that the extraordinary authority to issue emergency orders in the absence of notice and comment rulemaking is subjected to checks and balances. Moreover, before PHMSA issues an emergency order, pipeline owners and operators must be explicitly included in the consultation requirement. These personnel can provide unique insight and expertise, and would therefore help to mitigate the severity of an emergency.

As the House takes further action on this legislation, AFPM looks forward to continuing our work with you to improve the *PIPES Act of 2016*.

Sincerely,

Brendan Williams, Executive Vice President, AFPM

cc: The Honorable Jeff Denham, Chairman, Subcommittee on Railroads, Pipelines and Hazardous Materials
The Honorable Michael Capuano, Ranking Member, Subcommittee on Railroads, Pipelines and Hazardous Materials