



COMMITTEE ON

TRANSPORTATION & INFRASTRUCTURE

SAM GRAVES, CHAIRMAN
RICK LARSEN, RANKING MEMBER

H.R. 6494 - *Promoting Innovation in Pipeline Efficiency and Safety (PIPES) Act of 2023*

Section-by-Section

Sec. 1. Short Title; Table of Contents.

This Act may be cited as the “*Promoting Innovation in Pipeline Efficiency and Safety (PIPES) Act of 2023.*” This section also contains the table of contents.

Sec. 2. Authorization of Appropriations.

This section authorizes \$804 million over four years for pipeline safety programs administered by the Pipeline and Hazardous Materials Safety Administration (PHMSA) and authorizes PHMSA to collect up to 105 percent of that amount from fees paid by pipeline operators and owners of underground natural gas storage facilities. The section also authorizes the following amounts: \$123 million over four years from the Oil Spill Liability Trust Fund for safety programs; \$130 million over four years for PHMSA’s operating expenses; and authorizes set-asides for recruitment and retention and several grant programs.

Sec. 3. Definitions.

This section defines terms referenced in the underlying bill applicable to pipeline safety, pursuant to Section 60101 of title 49, United States Code.

Sec. 4. Workforce Development.

This section authorizes an increase in the number of PHMSA employees with certain subject matter expertise to develop and implement pipeline safety policies and regulations and fulfill Congressional rulemaking mandates. This section also includes a one-year reporting requirement on PHMSA’s progress and challenges to hiring and retaining employees, and any additional workforce needs.

Sec. 5. Regulatory Updates.

This section directs the Secretary of Transportation (Secretary) to publish a status update on the completion of outstanding Congressional mandates on PHMSA’s website every 30 days.

Sec. 6. Incorporation By Reference.

This section directs the Secretary to review and update as necessary, every four years, incorporated industry safety standards that have been partially or fully adopted as part of the Federal pipeline safety regulatory program. This section also requires adopted industry standards to be made publicly available, as well as a list of standards considered and PHMSA’s reasoning

for not adopting a standard. Further, it directs the Government Accountability Office (GAO) to review and report on compliance with public access requirements of such standards.

Sec. 7. Inspection Activity Reporting.

This section directs PHMSA to make a report on inspection and enforcement priorities of the Office of Pipeline Safety for fiscal year (FY) 2024 through FY 2027 publicly available and open for public comment.

Sec. 8. Technical Safety Standards Committees.

This section requires PHMSA to hold two meetings annually of the Gas Pipeline Advisory Committee (GPAC) and the Liquid Pipeline Advisory Committee (LPAC).

Sec. 9. Sense of Congress on PHMSA Engagement Prior to Rulemaking Activities.

This section encourages the Department of Transportation (DOT) to engage with pipeline stakeholder groups, including state pipeline safety programs certified by PHMSA, during the pre-drafting stages of rulemaking activities.

Sec. 10. Office of Public Engagement.

This section designates the existing Community Liaison Services as the Office of Public Engagement and assigns specific duties to engage with the public, government officials, public safety organizations, and pipeline operators, and assist with inquiries regarding pipeline safety best practices and regulations. The Office will also promote the adoption and increased use of safety programs.

Sec. 11. Class Location Changes.

This section requires the Secretary to finalize a rule on class location changes due to population shifts around pipelines within 90 days of enactment.

Sec. 12. Pipeline Operating Status.

This section requires the Secretary to advance a notice of proposed rulemaking (NPRM) establishing safety requirements for idled pipelines within 180 days of enactment.

Sec. 13. Rights-of-Way Management.

This section provides pipeline operators the opportunity to voluntarily develop alternative methods of maintaining rights-of-way for pipelines and pipeline facilities, including methods that incorporate conservation or habitat management practices for pollinators, that ensure equivalent levels of pipeline safety.

Sec. 14. Study on Composite Materials for Pipelines.

This section requires the DOT to complete a study within two years on composite pipeline material for the transportation of hydrogen and hydrogen blended with natural gas.

Sec. 15. Competitive Academic Agreement Program.

This section improves the ability of small and mid-sized institutions to participate in PHMSA's Competitive Academic Agreement Program (CAAP) grant program, which supports student

academic research on pipeline safety challenges, by permitting PHMSA to waive the current cost share requirement for these institutions.

Sec. 16. Geohazard Mitigation Study.

This section requires a GAO study on Federal and state requirements relating to geohazards, including seismicity, land subsidence, erosion, and other potential natural hazards that could impact pipeline safety.

Sec. 17. Special Permit Program.

This section requires that any terms placed on safety waivers (special permits) are specific to the pipeline safety regulation being waived and establishes timelines for the consideration of special permit applications. It also mandates a report to Congress on the status of safety waivers sought under the special permit program and directs the GAO to provide a report on PHMSA's implementation of this provision.

Sec. 18. Excavation Damage Prevention.

This section updates PHMSA's assessment criteria for State Damage Prevention Programs and describes additional leading practices state one-call programs should consider implementing to prevent excavation damage to pipelines and other underground utilities.

Sec. 19. Integrity Management Study.

This section requires a National Academies study on the effectiveness of integrity management regulations and their impact on safety in high consequence areas.

Sec. 20. Hydrogen Study.

This section directs the GAO to study existing natural gas pipeline systems in the United States and overseas that are blending hydrogen into natural gas pipeline systems that can inform a future rulemaking related to hydrogen-natural gas blending.

Sec. 21. Penalty for Causing a Defect In or Disrupting Operation of Pipeline Infrastructure.

This section extends existing criminal penalties to those who knowingly and willfully damage a pipe, pump, compressor, or valve under construction or disrupt the operation of a pipeline by the unauthorized turning of a valve.

Sec. 22. Civil Penalties.

This section increases the maximum civil penalty for a pipeline safety violation by 25 percent to \$2,500,000.

Sec. 23. Liquefied Natural Gas Regulatory Coordination.

This section creates a working group of Federal agencies with regulatory jurisdiction and oversight of liquefied natural gas (LNG) facilities to assess each agency's area of jurisdiction to ensure safety regulations are in the public interest, and to reduce or eliminate duplicative oversight of LNG facilities.

Sec. 24. Pipeline Safety Voluntary Information-Sharing System.

This section establishes a confidential voluntary information sharing (VIS) system to encourage the sharing of pipeline safety data and information and authorizes \$31 million for this purpose over four years. This section also requires PHMSA to issue a report on the effectiveness of the VIS and recommendations to ensure sufficient funding for the VIS.

Sec. 25. Carbon Dioxide Pipelines.

This section requires the Secretary to complete a rulemaking to establish minimum safety standards for the transportation and temporary storage incidental to transportation of carbon dioxide in a gaseous state. This provision also makes conforming changes to the United States Code to facilitate the regulation of carbon dioxide pipelines.

Sec. 26. Opportunity for Formal Hearing.

This section provides operators the opportunity to obtain a formal hearing before a DOT Administrative Law Judge on notice of probable violation enforcement actions. This section also requires publishing of protocols for hearings that are open to the public.

Sec. 27. State Pipeline Safety Grants Reporting.

This section requires the Secretary to include a summary of funding for the preceding three fiscal years and estimated funding necessary to fund 80 percent of the costs of personnel, equipment, and activities for the State Pipeline Safety grant program in the agency's annual budget estimate.

Sec. 28. Inspection of In-Service Breakout Tanks.

This section permits the Secretary to amend safety regulations to allow for risk-based inspections that would determine the schedule of inspection of storage tanks based on safety risk, if the Secretary determines an equivalent level of safety will be provided.

Sec. 29. Disclosure of Safety Information Assessment.

This section directs the Secretary to assess how pipeline facility owners and operators engage with, and provide safety information to, the public and state or local emergency response organizations. It also allows the Secretary to issue guidance to improve pipeline safety information sharing with the public and other interested parties.

Sec. 30. Assessment of Certain Pipeline Safety Definitions.

This section directs the Secretary to evaluate the definitions of buildings and occupied outdoor facilities, to determine whether the definition of the occupancy counts of these areas should be revised. It further provides the Secretary with the ability to issue regulations to modify the definitions.

Sec. 31. Report Assessing the Costs of Pipeline Failures.

This section requires a National Academies study on the direct and indirect costs related to the failure or shutdown of a pipeline facility.

Sec. 32. Study on Localized Emergency Alert System for Pipeline Facilities Incidents.

This section directs the GAO to issue a study on the need and capability to create a localized emergency alert system to provide alerts related to pipeline accidents or incidents.