



June 8, 2016

The Honorable Paul D. Ryan
Speaker
U.S. House of Representatives
H-232, The Capitol
Washington, DC 20515

The Honorable Nancy Pelosi
Democratic Leader
U.S. House of Representatives
H-204, The Capitol
Washington, DC 20515

Dear Speaker Ryan and Leader Pelosi:

The American Petroleum Institute (API) and the Association of Oil Pipe Lines (AOPL) would like to express our support for House passage of S. 2276, the Protecting our Infrastructure of Pipelines and Enhancing Safety Act of 2016 (PIPES Act).

API is the only national trade association representing all facets of the oil and natural gas industry, which supports 9.8 million U.S. jobs and 8 percent of the U.S. economy. API's more than 625 members not only produce and refine the resources that help America run, but API's members also transport them straight to consumers by pipeline, rail, and barge.

AOPL is a nonprofit organization whose membership is comprised of owners and operators of liquid pipelines. AOPL's members carry more than 98% of the crude oil and refined petroleum products moved by pipelines in the United States. AOPL educates the public about the vital role oil pipelines serve in the daily lives of Americans, including the measures taken to ensure the safety of oil pipelines and the resources and procedures in place to respond in the event of a discharge.

The U.S. has approximately 320,000 miles of natural gas pipelines and 190,000 miles of liquid pipelines, which combined, can circle the Earth over 20 times. As domestic production grows, pipelines will be the vital link to connect our abundant oil and natural gas resources to refineries, chemical plants, business, and consumers.

Liquids pipelines deliver 99.999% of product without incident, but pipeline operators recognize more can be done to ensure that the U.S. continues to have the safest, most robust pipeline network in the world. They have spent over \$2.2 billion in 2014 to evaluate, inspect, and maintain pipelines. Additionally, industry standards to improve pipeline integrity by mitigating pipeline cracking, applying appropriate leak detection techniques, and developing and employing safety management systems are being competed and implemented.

The PIPES Act, which reauthorizes PHMSA for three years, allows operators to continue their own, valuable pursuits to achieve the industry-wide goal of zero incidents, while addressing areas of improvement for PHMSA including the following:

- Improves transparency of the PHMSA rulemaking process: PHMSA has over a dozen outstanding mandates from the 2011 pipeline safety legislation, and this bill helps the public, Congress, and the industry keep track of their status.

- Sets reliable timelines for inspection reports: Obtaining inspection results faster from PHMSA will help ensure operators have access to critical information that could impact pipeline performance and, if needed, respond more quickly to identified-areas of concern, ensuring the safe operation of a pipeline.

The bi-partisan legislation is the product of two “Big Four” agreements, which involved the support and leadership of the full and subcommittee Chairmen and Ranking Members of the House Transportation and Infrastructure and the Energy and Commerce Committees. API and AOPL encourage the House of Representatives to swiftly consider and pass this legislation and send it to the Senate for final consideration.

Respectfully,

Handwritten signature of Louis Finkel, consisting of a stylized 'L' followed by a long horizontal stroke.

Louis Finkel
Executive Vice President for Government Affairs
American Petroleum Institute

Handwritten signature of Andy Black, written in cursive.

Andy Black
President and CEO
Association of Oil Pipe Lines