

ONE HUNDRED TWELFTH CONGRESS
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House of Representatives
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Opening Statement of Rep. Henry A. Waxman
Ranking Member, Committee on Energy and Commerce
“The American Energy Initiative: Pipeline Safety Oversight”
Subcommittee on Energy and Power
June 16, 2011

Today we are holding a hearing on the important topic of pipeline safety. I understand that the Chairmen of the Subcommittee and full Committee are planning to pursue reauthorization of the pipeline safety laws and that they would like to do that on a bipartisan basis.

Last Congress we began a process to address pipeline safety. Our staff worked together to meet with affected interests and we held a hearing. I look forward to further progress on a bipartisan basis.

It's clear that we need to pay serious attention to pipeline safety. Experts have been warning of the hazards of deteriorating infrastructure in this country, and natural gas and hazardous materials pipelines are a prime example. There has been a burst of new construction in the last few years, which puts further stress on pipeline safety oversight resources. The system is showing clear signs of strain, and people and the environment are paying the price.

Here's what we've seen over the past year and a half:

- Two natural gas pipeline explosions that killed 13 people and damaged over 150 homes and businesses.
- A spill of over 800,000 gallons of diluted bitumen – a heavy tar-like substance from the Canadian tar sands – into the Kalamazoo River. Thirty miles of the river are expected to remain closed over a year after the spill, and clean up costs are estimated at over \$500 million.
- A second spill of over 250,000 gallons from the same pipeline six weeks later.
- Twelve spills on the new Keystone pipeline in its first year of operation. This pipeline also carries diluted bitumen. Most of these spills were small, but after two

large ones, PHMSA shut down the pipeline, finding that continued operation without corrective action would be hazardous to life, property, and the environment.

- A trench collapse for the new Bison natural gas pipeline in Montana, leaving fissures three to four feet deep and hundreds of feet long.

In addition PHMSA recently found that some steel pipe produced between 2007 and 2009 was defective. Five of the seven pipelines PHMSA investigated contained the defective pipe, which had to be replaced, but other pipelines may also have used it. There is no current requirement for them to test for defective steel pipe.

These pipeline incidents are tragic, and we must act to prevent more loss of life and property in the future. These incidents are the canary in the coal mine warning about the state of our pipeline system. We may pay a very high price for ignoring these warnings.

We need to make sure that we are anticipating and preventing these pipeline safety disasters before they occur. In particular, oil companies are rapidly and dramatically expanding the quantity of tar sands crude, in the form of diluted bitumen, that they are moving through pipelines in this country. Concerns have been raised that diluted bitumen poses greater risks both in terms of the likelihood of spills and the challenges of clean up. We need to understand these risks and address them. And we need to do that before approving another tar sands pipeline, not after a pipeline is built with inadequate protections.

Yet just yesterday, this Subcommittee moved legislation to short-circuit the approval process for the newest tar sands pipeline, before holding this hearing. That legislation is a mistake. We should understand the unique safety concerns for tar sands pipelines – not accelerate pipeline approval.

We have had a history of bipartisan action on pipeline safety and there is a lot of room for agreement in this area. I look forward to working with the majority on this issue.