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Introduction

Good Morning Chairman Barrar, Vulakovich, Sainato and Costa and members of the Committees. I am Stephanie Catarino Wissman, Executive Director, Associated Petroleum Industries of Pennsylvania (API-PA), a division of the American Petroleum Institute (API). 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 include large integrated companies, as well as exploration and production, refining, marketing, pipeline, and marine businesses, and service and supply firms. They provide most of the nation's energy and are backed by a growing grassroots movement of more than 30 million Americans.

API is also a standard setting organization. For 90 years, API has led the development of petroleum and petrochemical equipment and operating standards. These standards represent the industry's collective wisdom on everything from drill bits to environmental protection and embrace proven, sound, engineering and operating practices and safe, interchangeable equipment and materials for delivery of this important resource to our nation. API maintains more than 650 standards and recommended practices (RPs). Many of these are incorporated into state and federal regulations; and increasingly, they're being adopted by the International Organization for Standardization.

Today, the U.S. leads the world in the production and refining of oil and natural gas. This has resulted in positive benefits for American consumers by driving energy costs down and has also benefited our environment. In fact, clean-burning natural gas has driven carbon emissions from power generation to their lowest levels in more than 20 years.

Pipelines play a critical role in delivering energy to the citizens of Pennsylvania and families throughout the country. Every day, pipelines safely and efficiently move oil, natural gas, and other products throughout the United States with 99.999 percent of those products reaching their destination without incident. Safety, safeguarding human life and protecting the surrounding environment is our industry's top priority.

Even with these positive pipeline safety performance numbers, the member companies of API are constantly working to improve pipeline safety even further with our goal of zero pipeline incidents. Despite the industry's strong safety record, we are committed to continuously developing new ways to preventing damage, improving pipeline safety and ensuring we are prepared to respond in the unlikely event of an incident. For pipeline operators this means being proactive, and constructing **prevention, mitigation, and response strategies** in a layered approach to ensure pipeline safety.

Prevention

Safety is a core value throughout every aspect of our industry's operations. When it comes to emergency and spill response, the industry's first line of defense is preventing a spill from occurring in the first place. The Association of Oil Pipe Lines (AOPL) and API Pipeline Safety Excellence Initiative is a critical component in that effort and embodies the work of nearly a dozen industry-wide pipeline groups to improve pipeline operations and safety. Working with member companies, we are proactively funding research and development on pipeline inspection technologies, including in-line inspection (ILI) devices, or "smart pigs," used to identify defects like corrosion, dents, or cracks. They scan the pipeline wall looking for these flaws and provide operators the information necessary for preventative maintenance and decisions on priority repairs. ILI technology has reduced corrosion-caused incidents by almost 80 percent over the last 15 years.

Under the Pipeline Safety Excellence Initiative, we are also enhancing our prevention efforts by improving our threat detection and response competencies, expanding safety culture and management systems, and boosting our emergency response capabilities. In 2016, liquids pipeline operators completed development of a number of industry-wide recommended practices and technical reports to improve our ability to detect pipeline cracking, integrate safety data, manage safety efforts holistically, follow leak detection programs, and better plan for and respond to pipeline emergencies.

Mitigation

All pipeline operators establish a comprehensive mitigation strategy to reduce the impact should a release occur. Individual operators consider operational and environmental factors, including such things as pipeline size, product, flow rate, operating pressures and topography. Pipeline operator's leak detection programs are an example of one such mitigation measure. These programs operate 24 hours a day, 7 days a week, with the goal to quickly identify and shutdown a pipeline if a leak should occur. To further improve an operator's ability to detect a leak, industry and regulators worked together to develop API RP 1175, *Leak Detection Management*. API RP 1175 outlines how to use multiple leak detection tools to create a robust and holistic

program, allowing for faster and more efficient leak detection response and thereby, reducing potential release size.

With many RPs related to prevention and mitigation now complete, we have turned our attention in 2016-2017 to the implementation of these safety recommendations industry-wide and throughout the country. A prime example is our effort to encourage and assist implementation of the API RP 1173, *Pipeline Safety Management Systems*. Recommended by the National Transportation Safety Board (NTSB) and developed in conjunction with PHMSA and state pipeline regulators, Pipeline Safety Management Systems are helping pipeline operators comprehensively and holistically manage all the different safety aspects across their companies. Other industry sectors, such as aviation, nuclear power and chemical manufacturing, have benefited from safety management systems. Now, pipeline operators are reinforcing their commitment to safety through RP 1173, and this helps further enhance their mitigation efforts.

Response

While the primary goal is preventing incidents before they occur, pipeline operators are ready to respond in partnership with first responders and government authorities to protect local communities and the environment. Through coordinated emergency response programs with federal, state and local first responders and agencies, operators ensure timely, seamless and effective responses.

Oil spill planning, preparedness and response are critical components of both onshore and offshore pipeline operations. Operators follow federal and state regulations when developing response plans for a potential spill to ensure a well-organized and an efficient response should an incident occur. The Oil Pollution Act of 1990 requires interstate liquid pipeline and storage operators to draft plans to address a ‘worst-case discharge’ of oil or other hazardous liquids which are reviewed and approved by the Pipeline and Hazardous Materials Safety Administration (PHMSA). If a plan does not meet the agency’s requirements, PHMSA will require amendments to be submitted and will review the plan again for compliance.

To evaluate the effectiveness and adequacy of spill response plans, operators, together with private and public first responder organizations and government agencies proactively conduct drills and table-top exercises. Performing drills and tabletop exercises together is critical not only to the building of relationships, but to the strengthening of our community preparedness in the event of an incident. Pipeline operators stage events and review how their company, along with response agencies at all levels, effectively collaborate, execute and respond. These exercises help identify not only what is working well, but where gaps may exist and the actions that are needed to eliminate them. In the last year, pipeline operators have conducted and participated in a number of such drills in the state of Pennsylvania. Examples include hosting a pipeline table top exercise at St. Joseph’s Target Hazard Planning Course, participating in the state’s Hazmat Conference to increase awareness on pipeline scenarios and deployment of spill response equipment on the Delaware River, all in conjunction with state emergency officials. Additionally, one-on-one liaison meetings, industry meetings and forums, provide pipeline operators and first responders opportunities to meet and learn together to exchange insights, best practices, and areas for improvement.

Pipeline operators are also working with first responders and government agencies on a number of initiatives going beyond regulation to properly and effectively improve emergency response efforts. For example, API Recommended Practice (RP) 1174, *Pipeline Emergency Response*, provides a framework for continued improvement of emergency planning and response processes and prepares operators for safe, timely and effective pipeline emergency efforts. The recommended practice also emphasizes an increased focus on training, exercise planning, and continual evaluations of the speed and effectiveness of response tools. Additionally, API RP 1174 outlines a comprehensive management system for setting planning and response goals, documenting procedures, and communicating roles and responsibilities. This important guidance goes beyond regulatory requirements with additional planning for areas sensitive to releases below the required worst-case discharge planning scenario (i.e. population centers, water crossings, areas of environmental, historic or cultural significance). API recently hosted two webinars to educate first responders, industry and government agencies on the importance and implementation of RP 1174.

To further improve response efforts API and AOPL host an annual Pipeline Emergency Response (ER) Forum providing operators, emergency responders and regulators a venue to share lessons learned from past responses and discuss ways to enhance preparedness and cooperation. To further improve response efforts operators also incorporate lessons learned from past releases. For example, following two more recent incidents in Westmoreland County and Lycoming County, based on an analysis of the root causes of the incidents, Spectra Energy and Sunoco Logistics (caused by third party damage) have taken steps as appropriate within their respective pipeline inspection and integrity management programs to consider and address additional identified risk factors to improve safety performance and prevent incidents from occurring in the future. In addition, the recently-formed ER Advisory Board serves as a platform for open dialogue between response advocacy organizations, first responders and regulatory agencies to help steer preparedness and response activities within the pipeline community. These forums provide opportunities for operators and first responders to participate in joint exercises, exchange best practices, and build partnerships.

Training is another important response tool for operators and responders. API helped create an online pipeline emergency response training program. Produced alongside the National Association of State Fire Marshals, the online portal delivers pipeline-specific training free to first responders. To date, nearly 4400 first responders have completed training, including over 350 from Pennsylvania.

Conclusion

As described above, pipeline operators have not stood by, and instead have advanced safety initiatives on inspection technology, cracking, data integration, safety management, leak detection and emergency response. Using a variety of prevention, mitigation and response techniques, operators form robust and holistic safety strategies to achieve the industry goal of zero incidents. Thank you for inviting me here today, and I look forward to answering any questions you may have.