American Gas Association

STATEMENT FOR THE HEARING RECORD

Pipeline Safety Reauthorization: Ensuring the Safe and Efficient Movement of American Energy

Subcommittee on Surface Transportation, Freight, Pipelines, and Safety
United States Senate

May 15, 2025

On behalf of the American Gas Association (AGA), CenterPoint Energy is pleased to provide our input for the U.S. Senate Committee on Commerce, Science, & Transportation, Subcommittee on Surface Transportation, Freight, Pipelines, and Safety (Senator Todd Young, Chairman) hearing on *Pipeline Safety Reauthorization: Ensuring the Safe and Efficient Movement of American Energy.* CenterPoint Energy and AGA share the same goals as safety advocates, the public, pipeline sector industry partners, and Congress: Ensuring America's pipeline system remains the safest, most secure, and most reliable in the world. We look forward to working with the Committee in the 119th Congress to help push pipeline safety reauthorization through the legislative process and into law.

CenterPoint Energy is a combination electric and natural gas utility operating in Indiana, Texas, Ohio and Minnesota. Across our 4-state footprint, we operate nearly 74,000 miles of distribution main pipelines and are privileged to serve nearly 4 million customers. We also manage nearly 1,100 miles of transmission lines and approximately 300 storage wells.

AGA, founded in 1918, represents more than 200 local energy companies that deliver natural gas throughout the United States. There are more than 77 million residential, commercial, and industrial natural gas customers in the U.S., of which 96 percent – more than 74 million customers – receive their gas from AGA members. AGA advocates for natural gas utility companies and their customers and provides a broad range of programs and services for member natural gas pipelines, marketers, gatherers, international natural gas companies, and industry associates. Today, natural gas meets more than one-third of the U.S.' energy needs. Natural gas pipelines are an essential part of the nation's energy infrastructure. Indeed, natural gas is delivered to customers through a safe, approximately 2.7-million-mile underground pipeline system, including 2.3 million miles of local utility distribution pipelines, 100,000 miles of gathering lines, and 300,000 miles of transmission pipelines providing service to more than 189 million Americans.

Distribution pipelines are operated by natural gas utilities, or "local distribution companies (LDCs)." Gas utility distribution pipes are the last, critical link in the natural gas delivery chain that brings natural gas from the wellhead to the burner tip. AGA member utilities like CenterPoint Energy are the "face of the gas industry," embedded in the communities they serve, and interact daily with

customers and the state regulators who oversee pipeline safety locally. The distribution industry takes very seriously the responsibility of continuing to deliver natural gas to our families, neighbors, and business partners as safely, reliably, and responsibly as possible. The industry is committed to providing life-sustaining energy to the thousands of communities in our country who count on it, every second of every day of the year.

Our Number One Priority: Pipeline Safety

The domestic shale revolution has resulted in an abundant supply of natural gas. This robust supply has translated into stable natural gas prices and an increasing number of utility customers who use this resource for residential and commercial applications like cooking, space and water heating, and manufacturing. Last year alone, natural gas utilities added 730,000 customers and 20,700 miles of pipeline to serve these new customers. Alongside this tremendous opportunity comes the absolute necessity of operating safe and reliable pipeline infrastructure to support dependable natural gas delivery to homes, businesses, and essential facilities like hospitals.

Every year the gas utility industry invests $33 billion on the safety of our pipeline systems. At CenterPoint Energy alone, we spend hundreds of millions of dollars every year to modernize our gas systems to enhance safety and reliability. For example, we will eliminate cast iron and bare steel from our system by the end of 2026 and will modernize our remaining low pressure systems by 2030. Unquestionably, pipeline safety is our industry's number one priority, and through critical partnerships with state and federal regulators, legislators, and other stakeholders, CenterPoint Energy and other AGA member companies are continually working to enhance pipeline safety, integrity, and system resiliency.

Pipeline Safety Reauthorization Priorities

AGA and its members support fact-based, reasonable, flexible, and practicable updates to pipeline safety regulation that build upon lessons learned and evolving improvements to pipeline safety and related programs and technology. In that spirit, AGA wishes to highlight 5 high-level priorities as the House-Senate reauthorization process moves forward.

Support Limiting Pipeline Excavation Damage Incidents. Across the gas utility industry, excavation damage is the primary cause of distribution pipeline incidents. From 2020-2024, CenterPoint Energy alone experienced nearly 46,000 damages from excavation activity. For approximately one third of these damages no locate was called in by the excavator. According to PHMSA data, in the past 20 years, excavation damage incidents on natural gas pipelines have resulted in 57 deaths, 254 injuries, and over $300 million in property damage. These often tragic incidents are preventable. States that have strong excavation damage prevention and enforcement programs typically experience lower rates of damages to pipelines. AGA supports directing PHMSA to incentivize states to adopt One Call program leading practices, derived from the best state excavation damage programs, and condition their grants to State One Call programs based upon adoption of these best practices. Our company and our industry are confident this proposed program will reduce damages and save lives.

Support Pipeline Technology Alternatives. Modern pipeline safety technologies – not contemplated when many pipeline safety regulations were first implemented – can, if deployed, meet the intent of these older existing regulations and improve the overall safety of natural gas, hazardous liquid, underground storage, and liquefied natural gas infrastructure. For example, advanced pipeline leak detection technologies have advanced to the point where they can be used to comply with leak detection regulation. CenterPoint Energy began implementing advanced leak detection, which detects natural gas in the parts per billion range instead of the parts per million range of traditional leak detection technology, over a decade ago. With advanced leak detection,

CenterPoint Energy detects approximately 2.5 times as many leaks and repairs more leaks that would not have been detected using traditional leak detection technologies. Additionally, breakaway meter technologies and excess flow valves can stop the flow of gas if a meter is struck, eliminating the need for physical meter protection barriers. Industry supports a PHMSA-led process to identify technology alternatives that, if utilized, will meet the intent of existing pipeline safety regulations and provide an equal or greater level of pipeline safety.

***Strengthen Criminal Penalties for Intentional Damage to Pipelines*.** CenterPoint Energy strongly supports strengthening criminal penalties for intentionally damaging pipeline infrastructure. Natural gas utilities are experiencing an increase in criminal attacks on their property, equipment and facilities. These activities range from gunshots targeting pipelines, Improvised Explosive Devices (IEDs) placed on gas delivery equipment, and the damaging of facilities and equipment necessary for safe natural gas delivery. These activities not only are hazardous to the safety and property of the public and member company employees, but they also threaten an LDC's ability to deliver natural gas to thousands of homes, hospitals, schools, government and military facilities, and other critical infrastructure customers. AGA supports increased criminal penalties on bad actors who intentionally damage, destroy or impair pipelines and pipeline facilities, including those under construction.

***Hydrogen-Natural Gas Blending R&D Study*.** Hydrogen is an emerging solution for achieving gas LDC energy storage and decarbonization goals. Natural gas projects in North America and worldwide demonstrate successful blending of hydrogen into the existing natural gas distribution network or utilizing natural gas that has a naturally occurring higher hydrogen content. Hawai'i Gas has successfully utilized a natural gas hydrogen blend of 15% for decades and many systems overseas are operating at approximately a 20% blend. It is important to understand how companies operating natural gas distribution systems with a higher hydrogen content are operating these systems safely. As such, we suggest the Government Accountability Office (GAO) conduct a review of natural gas distribution systems worldwide that utilize hydrogen-natural gas blending applications, or utilize gas with a higher hydrogen content, to identify processes, materials, and standards the operators have implemented to operate safely. The results of this study will help underpin the safety of ongoing domestic hydrogen R&D and blending operations.

Authorize a Pipeline Safety Voluntary Information-Sharing System. Congress should authorize a Voluntary Information-sharing System (VIS) based on the recommendations of the public advisory committee formed pursuant to the 2016 pipeline safety reauthorization law. A VIS will engage multiple stakeholders (e.g., government, industry, and pipeline safety NGOs) to collect and share best practices and lessons learned, promote improved pipeline safety, and will importantly include sufficient legal and regulatory safe harbors for information sharing to encourage industry participation. VIS will support industry's implementation of Pipeline Safety Management Systems by encouraging information sharing and facilitating understanding and management of pipeline safety risks.

***5-Year Reauthorization for PHMSA's Pipeline Safety Program*.** PHMSA's Pipeline Safety program was reauthorized most recently in the PIPES Act of 2016 and PIPES Act of 2020. As PHMSA's Pipeline Safety program expired again in 2023, the frequency of reauthorization has been reduced to just 3 years. This interval is inadequate given the significant time it takes to conduct studies, publish reports, move reauthorization priorities from legislation to Proposed Rulemaking, address comments, and develop and publish Final Rules. Acknowledging the time required to conduct studies, publish reports, and develop feasible, reasonable, cost effective, and practical rulemaking (including stakeholder input), and in keeping with reauthorization intervals that preceded the PIPES Act of 2016 (1996, 2002, 2006, 2011), Congress should reauthorize PHMSA's Pipeline Safety program for not less than 5 years.

Conclusion

America's gas utilities' commitment to pipeline safety relies on sound engineering principles and best in class technology, a trained professional workforce, effective community relationships, and a strong partnership with state pipeline safety authorities and PHMSA. As pipeline safety reauthorization legislation is drafted this year, CenterPoint Energy, and our partners at the American Gas Association, encourage Congress to work in a bipartisan fashion to advance reasonable and consensus changes to pipeline safety law and regulation, support PHMSA's primary role as pipeline safety regulator, and recognize the great strides in pipeline safety engineering and operating practices that pipeline companies are putting into practice across the country. We stand ready to assist in this process with real world operations, engineering and safety data and experience. Please use us as a resource.