U.S. House Committee on Energy and Commerce Subcommittee on Energy

"Strengthening American Energy: A Review of Pipeline Safety Policy." July 22, 2025

Documents for the Record

- 1. A letter from the American Public Gas Association addressed to Chairman Guthrie, Ranking Member Pallone, Chairman Latta, and Ranking Member Castor, submitted by the Majority.
- 2. A letter from the American Petroleum Institute addressed to Chairman Guthrie, Ranking Member Pallone, Chairman Latta, and Ranking Member Castor, submitted by the Majority.
- 3. A court document from the District Court for the Northern District of Texas Dallas Division, submitted by Rep. Alexandria Ocasio-Cortez.



The Honorable Brett Guthrie Chairman Committee on Energy and Commerce U.S. House of Representatives Washington, DC 20515

The Honorable Bob Latta
Chairman
Subcommittee on Energy
Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20515

The Honorable Frank Pallone
Ranking Member
Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20515

The Honorable Kathy Castor
Ranking Member
Subcommittee on Energy
Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20515

Re: House Energy and Commerce Committee, Subcommittee on Energy Hearing On "Strengthening American Energy: A Review of Pipeline Safety Policy"

Dear Chairman Guthrie, Ranking Member Pallone, Chairman Latta, and Ranking Member Castor:

On behalf of the American Public Gas Association (APGA)¹ and the nearly 1,000 community-owned natural gas systems operating in 38 states across the country, we appreciate the opportunity to share our support for the important matter of improving pipeline safety and the reauthorization of the Pipeline and Hazardous Materials Safety Administration (PHMSA).

APGA's members include not-for-profit gas distribution systems owned by municipalities and other local government entities, all directly accountable to the citizens they serve. Public gas systems are committed to safely providing efficient, reliable, and affordable energy to their customers. They support their communities by delivering energy for cooking, clothes drying, and space and water heating in homes and businesses. Natural gas utilities also serve as a conduit for economic development and well-being, as they provide a vital fuel source for various commercial and industrial applications. The decisions made by Congress on PHMSA's reauthorization will have a direct impact on our members' ability to maintain and improve upon the safe delivery of natural gas to the customers and communities they serve.

Safety is Paramount

Safety is, and always has been, the top priority for APGA members. Public gas systems work diligently to operate and maintain their infrastructure in ways that minimize the likelihood of incidents and protect people and property. Our members' commitment to safety begins with our employees, the utility professionals who live in the communities they serve, and it extends to every mile of pipe that delivers gas to customers. These systems have invested significantly in

¹ American Public Gas Association <apga.org>

replacing aging infrastructure, deploying advanced leak detection technology, training personnel, and participating in rigorous emergency preparedness programs.

Distribution Integrity Management Programs (DIMP) play a critical role in ensuring that natural gas distribution systems understand their unique risks and manage them accordingly. These risk-based programs, subject to regular audits by state regulators or PHMSA, guide utilities in prioritizing actions that reduce risk (such as pipeline replacement or more frequent inspections of their system). These actions, that go above and beyond the prescriptive requirements of federal regulations, also improve system resiliency and help prevent pipeline incidents. Public gas systems have also been leaders in promoting a culture of safety within their organizations, aligning with voluntary industry-wide efforts like Pipeline Safety Management Systems (PSMS) to drive continuous improvement.

The industry's proactive safety measures have yielded meaningful results. Over the last two decades, significant incidents in natural gas distribution systems have declined by more than $40\%^2$, even as the number of natural gas customers and pipeline mileage have grown. But the industry's work toward a safer future is never done, as any single incident requires reflection and action. Our members are committed to working with Congress, PHMSA, and state pipeline safety partners to further reduce risks, modernize infrastructure, and ensure public confidence in their systems.

Support for a Well-Resourced PHMSA

The continued success of our nation's pipeline safety efforts depends, in part, on a strong, well-resourced federal regulator. Since its creation, PHMSA has demonstrated a clear commitment to safety and transparency in its work with pipeline operators, state regulators, and other stakeholders. APGA supports reauthorizing PHMSA for a five-year term, consistent with the historical reauthorization timeline that enables the agency to implement congressional mandates, conduct studies, and ensure continuity in its mission.

We also urge Congress to maintain robust funding for state pipeline safety enforcement programs through PHMSA's grant office. State authorities serve as the primary enforcers for most natural gas distribution pipeline operators, and these grants are critical to ensuring that local regulators have the tools and personnel needed to perform inspections and enforce safety standards. Supporting PHMSA's core functions helps reduce uncertainty and promote operational stability for natural gas operators.

Excavation Damage Prevention

Excavation damage remains the leading cause of serious incidents on distribution pipelines. These incidents are often preventable, and all too often result from failure to follow established safe digging practices. APGA strongly supports state legislative efforts to strengthen enforcement of One-Call laws and incentivize the adoption of leading practices to reduce excavation-related damages. However, improving excavation safety will require a shared commitment among

² American Gas Association <www.aga.org>

excavators – including homeowners, all underground utility operators, and regulators. APGA urges Congress to direct PHMSA to work collaboratively with states to ensure that damage prevention programs are effective, transparent, and enforceable. Every effort to reduce excavation damage is an investment in public safety.

Extending the Natural Gas Distribution Infrastructure Safety and Modernization (NGDISM) Grant Program

APGA appreciates Congress' creation of the NGDISM Grant Program in the Infrastructure Investment and Jobs Act. This program provides critical funding for publicly- and community-owned utilities to repair, rehabilitate, or replace aging pipeline infrastructure and purchase equipment that enhances leak detection and system safety.

Now entering its fourth of five funding cycles, the NGDISM program has earned a proven track record of success. The program has so far awarded over \$800 million in funding to 128 community-owned gas systems across the country. Publicly-owned utilities that have received grants are using those funds to replace aging, leak-prone pipes, upgrade critical infrastructure, and enhance safety in neighborhoods across the country. These are the systems that operate the pipelines running beneath roads to your schools, hospitals, and homes- the pipes closest to the heart of your communities. By investing in these local systems, the program not only reduces safety risks but also helps keep energy affordable. Because public utilities are not-for-profit, every dollar saved through infrastructure investment directly benefits customers in the form of lower energy bills and more reliable service.

We urge Congress to extend this program as part of the PHMSA reauthorization. The NGDISM program addresses a clear need among the smallest public utilities, many of which face challenges accessing capital for infrastructure modernization. These grants enhance public safety while supporting affordability and reliability for consumers.

Finalizing Congressionally Mandated Rulemakings

APGA supports the timely completion of rulemakings mandated by previous reauthorizations, provided that the resulting regulations are grounded in practical, outcomes-based approaches. We specifically encourage PHMSA to finalize the Leak Detection and Repair (LDAR) rule in a manner that recognizes the diversity of distribution systems and avoids prescriptive, one-size-fits-all requirements. For example, APGA members support the identification and repair of leaks; however, APGA does not believe it is beneficial for pipeline safety that each of the more than 2,000 natural gas distribution operators be required to perform a review of all state-of-the-art technologies on a routine basis. This exercise would be a distraction from the physical work that is so critical to pipeline safety.

Utilities must be empowered to use the tools and technologies that best suit their systems and communities. Effective regulation should focus on measurable improvements in safety and performance, not compliance with rigid procedures that may not yield better outcomes. APGA stands ready to work with Congress and PHMSA to ensure that final rules achieve their intended safety goals while being practical to implement.

Protecting and Advancing Natural Gas Infrastructure

Public gas systems face growing challenges with the infrastructure they operate and maintain. We are increasingly concerned by efforts to restrict access to natural gas or to discourage investment in gas distribution networks. As policymakers consider the future of energy, it is essential to recognize the value of existing infrastructure and its increasingly more efficient delivery of affordable and reliable energy to millions of Americans.

Congress should take steps to enhance penalties for intentional damage to pipeline facilities. Acts of vandalism or sabotage pose serious threats to public safety and energy reliability and must be deterred through strong enforcement.

At the same time, it is critical to ensure that there is adequate pipeline capacity to meet growing energy needs. In many parts of the country, including the Northeast and middle America, constraints on infrastructure have led to waitlists for service and overreliance on higher-emission alternatives. We urge Congress to support policies that streamline permitting for needed pipeline expansion and modernization.

Conclusion

In closing, APGA's members are committed to safely delivering reliable and affordable natural gas to the communities they serve. We value the strong working relationship we have with PHMSA and support a thoughtful, bipartisan reauthorization that advances our shared safety mission.

Thank you again for your consideration. We look forward to continuing to work with the Subcommittee on behalf of public gas utilities and the Americans who rely on them every day for their energy needs.

Sincerely,

Erin Kurilla

Executive Vice President, Vice President of Advocacy and Operations

American Public Gas Association

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U.S. House of Representatives

Committee on Energy and Commerce

Subcommittee on Energy

Strengthening American Energy: A Review of Pipeline Safety Policy

Letter from the American Petroleum Institute

July 22, 2025

The Honorable Brett Guthrie Chairman Energy and Commerce Committee U.S. House of Representatives 2125 Rayburn House Office Building Washington, D.C. 20515

The Honorable Bob Latta Chairman, Subcommittee on Energy Energy and Commerce Committee U.S. House of Representatives 2125 Rayburn House Office Building Washington, D.C. 20515 The Honorable Frank Pallone Ranking Member Energy and Commerce Committee U.S. House of Representatives 2125 Rayburn House Office Building Washington, D.C. 20515

The Honorable Kathy Castor
Ranking Member, Subcommittee on Energy
Energy and Commerce Committee
U.S. House of Representatives
2125 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Guthrie, Ranking Member Pallone, Chairman Latta, and Ranking Member Castor:

Chairman Latta, Vice Chairman Weber, Ranking Member Castor and esteemed members of the subcommittee: my name is Robin Rorick, and I am the Vice President of Midstream Policy at the American Petroleum Institute (API). On behalf of API, we appreciate the opportunity to submit this letter as part of this important hearing addressing pipeline safety and the reauthorization of the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration (PHMSA).

API represents all segments of America's oil and natural gas industry. From large integrated companies to small independent operators, 11 million hardworking men and women across all 50 states provide and support the energy that powers every district in this nation.¹ Our nearly 600 members produce, process, and distribute the majority of the nation's energy and participate in the API Energy Excellence® program, which is accelerating environmental and safety progress by fostering new technologies and transparent reporting. API was formed in 1919 as a standards-setting organization and has developed more than 800

¹ PwC for API, "Impacts of the Oil and Natural Gas Industry on the US Economy in 2021," available at: https://www.api.org/media/Files/Policy/American-Energy/PwC/2023/API-PWC-Economic-Impact-Report-2023.pdf

standards that enhance operational safety, environmental protection and sustainability across 140 countries. Promoting technological, environmental and regulatory innovations is a driving force for API and our industry to ensure we have safe, reliable and affordable energy that tens of millions of families and businesses need to survive and thrive, today and well into the future.

Our country is the world's leader in oil and natural gas production, benefitting Americans here at home as well as our allies across the world.² Pipelines make these capabilities a reality, playing a critical role in achieving the goals of energy dominance and energy security. We operate a network of over 500,000 miles of oil, petroleum products and natural gas transmission pipelines every day, transporting the energy we rely on to fuel modern life. Pipelines are one of the safest, most environmentally responsible ways to transport energy and are located in every U.S. state and Congressional district. They provide the transportation fuels for cars, trucks and airplanes, home heating products, feedstocks for household goods, pharmaceuticals and medical products, the basis for pesticides and herbicides, and energy for power generation.

Commitment to Safety

We are committed to safety and continuous improvement, which includes maintaining a standard of operational excellence through comprehensive safety management systems, pipeline design and construction standards, and robust safety programs such as integrity management and geohazard mitigation. Data from the Pipeline and Hazardous Materials Safety Administration (PHMSA) shows that this commitment is working. Both total liquid pipeline incidents as well as those impacting people or the environment (IPE) decreased 13% between 2020 and 2024.³ Looking further, integrity management IPE incidents for liquid pipelines dropped 33%, and operations and maintenance IPE incidents declined 22% within this time. These safety improvements come as the industry operated 3,000 more miles of liquid pipeline and delivered over 15% more barrels of liquid energy between 2019 and 2023, the most recent year this data is available. In fact, the rate of total incidents per million barrels of energy delivered has fallen 33% since 2019, showing that liquid pipelines are getting safer while meeting increasing energy demand. Natural gas transmission lines are showing similar safety improvements, with incidents down 23% between 2020 and 2024.

² "API | Industry Explained – Oil Production & Natural Gas Production", available at: https://www.api.org/products-and-services/statistics/industry-explained

³ "2024 Pipeline Performance Report & 2023-2025 Pipeline Excellence Strategic Plan," available at <u>API/LEPA 2024 Performance Report</u>

Pipeline operators recognize the need for continuous improvement despite this progress. Our industry continues to implement safety management systems to comprehensively manage risk, mitigate pipeline corrosion, improve leak detection technology, prevent cyberattacks and promote sustainable operations using conservation programs. Following the publication in 2024 of a first-of-its-kind industry standard on public engagement, Recommended Practice (RP) 1185, pipeline operators are actively implementing programs that foster meaningful, two-way communication and build trust within the communities where we work and live. Additionally, we are working on the safe transportation of CO₂ by pipeline through the publication of a new RP this year.

As part of our efforts to promote pipeline safety improvements, API has responded to a recent U.S. Department of Transportation (DOT) Request for Information and several PHMSA Advanced Notice of Proposed Rulemakings (ANPRMs) seeking comments to modernize regulatory frameworks, improve safety and reduce regulatory burdens on pipeline operators. Our response identified numerous opportunities for updating outdated and inefficient regulations so that they reflect the current state of technology, engineering science and advanced analytical tools, focus resources on the highest risk items, and support a performance-based approach to managing pipeline safety. API applauds PHMSA for the proactive regulatory actions taken to date to revise severely outdated liquified natural gas facility safety requirements, modernize repair criteria, update federal pipeline regulations and reduce regulatory burdens that will help ensure the President's agenda for unleashing America's energy is done safely.

The reshoring of advanced manufacturing in the U.S., data center operations and artificial intelligence utilization are increasing energy demand, placing this industry at an inflection point. This time is an opportunity to demonstrate American energy leadership and meet growing demand while benefiting local communities and global allies using rational, predictable and commonsense energy policies.

Support for the Pipeline Safety, Modernization, and Expansion Act of 2023

API supports this committee's efforts to develop a comprehensive PHMSA reauthorization and prior published bill, *Pipeline Safety, Modernization and Expansion Act of 2023*. We applied legislation that maximizes our industry's investments in people and technology to effectively advance pipeline safety.

This committee's bill will make important strides in improving pipeline safety. It will ensure that a technology pilot program functions as Congress originally intended, allowing operators to leverage state-of-the-art technology to advance pipeline safety. It will also help improve pipeline safety through the

creation of a voluntary information-sharing system operators can use to gather incident data and share lessons learned in a confidential, protected environment. The act also strengthens protections for pipeline infrastructure by criminalizing activities that impair the operation or construction of facilities, cause damage that could result in harm to people, the environment and the pipeline itself or disrupt critical energy supply. Importantly, the bill maintains and strengthens PHMSA's critical cost-benefit analysis provision and recognizes the importance of regulatory updates in further strengthening the regulatory framework around the transportation of carbon dioxide by pipeline.

The Pipeline Safety, Modernization and Expansion Act of 2023 goes beyond reauthorizing pipeline safety programs, recognizing the link between pipeline safety and a functional permitting system that allows for effective investment in maintaining and expanding critical pipeline infrastructure. Meaningful and durable permitting reform is critical to fully unleash American energy leadership and showcase energy dominance. Any legislative remedy related to permitting should be based on transparency, predictability, timeliness, efficiency and judicial durability. Permitting challenges have caused delays in critical infrastructure, stymied investment, or resulted in the cancellation of projects altogether. While permitting reform is a complex issue, cutting across multiple statutes, federal and state agencies and Congressional committees, now is the time for action. As rightly noted by the committee, permitting for modification, expansion, inspection, repair or maintenance of existing pipeline facilities are often overlooked but are no less critical to our energy supply chain than new facilities.

The committee's proposal also reflects an important opportunity to modernize the permitting system by making it easier for operators to co-locate resources in existing rights-of-way. API members have been doing this successfully for years — placing new pipelines or related infrastructure like compressor stations in the same rights-of-way used for existing pipelines. This allows operators to expand our capacity to transport energy products while also minimizing our impact on nearby communities and the environment. We are grateful the committee recognizes the value in modernizing permits for such projects, understanding that it would place additional pressure on federal agencies to meet their statutory deadlines for approving permits and could bring valuable accountability to the system.

The proposed bill strengthens critical cost-benefit requirements for federal rulemakings by clarifying that the costs and benefits considered during the rulemaking process should be limited to those within the United States. This provision to conduct reasoned cost-benefit analysis supports effective and efficient regulations that achieve their Congressional directives without placing undue or debilitating burdens on

complying industries. It ensures that the benefits of a regulation justify its costs and is consistent with the principles established in longstanding Executive Orders that apply to the rulemaking process.

The cost-benefit analysis helps PHMSA and stakeholders compare the multiple, feasible alternatives to identify the best option during the public comment and advisory committee review processes.⁴ It makes for more effective rulemakings that target specific pipeline safety needs rather than overly broad or restrictive ones. This good government provision was first enacted by a Democratic Congress at the direction of a Democratic President. Congress has placed similar requirements on the Occupational Safety and Health Administration, Mine Health and Safety Administration and Environmental Protection Agency, recognizing the value in requiring agencies to review both costs and benefits as part of the rulemaking process.

Additional Provisions for Safety and Economic Growth

This legislation is a strong starting point, and we also encourage this committee to consider additional provisions to improve pipeline safety. Although PHMSA has begun to address some of these issues through rulemaking, to ensure the durability of key regulatory change we are also encouraging the committee to consider the inclusion of provisions associated with requiring timely review of industry standards incorporated by reference, acknowledging alternative approaches for maintaining pipeline rights-of-way, clarifying a regulatory gray area related to in-plant piping, strengthening state damage prevention practices and enforcement, removing exemptions and increasing participation in One Call Centers.

Additionally, we are encouraged by PHMSA's interest in the potential inclusion for the allowance of risk-based inspections for break-out tanks in the repair criteria ANPRM, but here once more we would

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⁴ A recent decision from the U.S. Court of Appeals for the District of Columbia Circuit highlights the continued importance of the risk assessment requirements that Congress added to the Pipeline Safety Act. *GPA Midstream Ass'n v. United States Dep't of Transp.*, 67 F.4th 1188 (D.C. Cir. 2023). In concluding that PHMSA failed to comply with these requirements in issuing a final rule that would have required the installation of rupture-mitigation valves on gathering lines, the Court explained that PHMSA "said nothing about the practicability or the costs and benefits of regulating the gathering sector of the pipeline industry" in its preliminary risk assessment, and issued the final rule without allowing the public or the Gas Pipeline Advisory Committee to review and provide comment on that information. *Id.* at 1197. The Court concluded that in so doing, PHMSA "flouted the pipeline safety laws and a cardinal rule of administrative law." *Id.* at 1198. The Court also found that PHMSA did not engage in reasoned decision making in issuing the final rule because the final risk assessment did not demonstrate that the benefits of the regulations for gathering lines justified their costs. The Court explained that PHMSA did not consider relevant differences between gathering and transmission lines in preparing that assessment, failed to quantify any of the benefits, and relied on a technical study that did not address the installation of rupture mitigation valves on gathering lines. In short, the Court found that in issuing the regulations for gathering lines PHMSA "cut corners to the prejudice of the petitioners, the administrative process, and thus the public." *Id.* at 1202.

support the development of statutory language to ensure long-term durability. Current regulations cite outdated industry practices, requiring internal inspections to be conducted more often than necessary to maintain them safely. It unnecessarily puts workers in harm's way, generates emissions and fails to reflect leading industry approaches. Today, operators are investing in the latest tank coatings and liners, using advanced materials engineering principles to reduce risks and employing UAS and robotics for inspections.

API has been the leader in developing voluntary, consensus-based oil and natural gas industry standards since 1924. Our standards are the most widely cited petroleum industry standards by regulators, with 240 API standards cited over 3,800 times in state-based regulations and more than 650 references in federal regulations. These standards are reviewed every five years at a minimum through API's American National Standards Institute-accredited process, although regulators struggle to keep pace with the advances in pipeline safety technology and modern engineering practices that are regularly incorporated into these standards. Today, approximately 50 percent of the instances where PHMSA cites API standards are out of date and do not reference the most recent edition. Thus, critical regulations do not reflect advances in safety, technology and engineering, forcing pipeline operators to comply with often antiquated practices. This committee should require that PHMSA review references to standards that have been incorporated every three years through the Gas Pipeline Advisory Committee and Liquid Pipeline Advisory Committee processes to determine if updates are needed. If PHMSA chooses to ignore an updated standard, the agency should publish an explanation of this decision on its website.

Additionally, API supports language clarifying jurisdiction over short segments of pipe within gas processing and refining facilities known as "in-plant" piping. These pipelines are operated by plant personnel, run between facilities and are less than one mile in length. Liquid in-plant piping is regulated by the Occupational Safety and Health Administration (OSHA) through its Process Safety Management program as directed by Congress. However, no similar instructions exist when it comes to natural gas inplant piping. Historically, PHMSA has deferred to OSHA as the primary regulator, but the lack of statutory clarity has created a vacuum that certain regional PHMSA offices have tried to exploit to expand their jurisdiction. This regulatory gray area has led to confusion among pipeline operators and thus requires regulatory certainty. We recommend committee action here to address natural gas in-plant piping the same way as liquid lines and to clarify OSHA's jurisdiction while still maintaining the same safety levels.

⁵ OGP Report No. 426, Regulators' Use of Standards, March 2010

Safely Demonstrating Energy Leadership

The U.S. is leading the world in both oil and natural gas production. For America to demonstrate true

energy leadership with its abundant natural resources, Congress must enact pipeline safety policy that is

fit-for-purpose and based on sound science and engineering principles. Pipelines are an essential cog in

the energy supply chain. They have enabled our country's record-breaking energy production by

transporting oil, refined products, low carbon energy sources and natural gas in one of the safest and

most environmentally friendly modes possible. We remain committed to continual safety improvements

to meet the shared goal of zero incidents.

Pipeline safety is not a partisan issue, and API is eager to partner with legislators and regulators at both

the state and federal levels to ensure pipelines are regulated effectively and operated safely. Importantly,

though, any legislation must be balanced to ensure that the industry can achieve these objectives while

continuing to bring affordable, reliable energy to American families and businesses to meet growing

energy demand, support our domestic economy and provide good-paying jobs.

Mr. Chairman, Mrs. Ranking Member, and distinguished members of the subcommittee, I look forward to

the continued bipartisan efforts to address critical issues of pipeline safety that I have outlined today.

Sincerely,

Robin Rorick

Vice President - Midstream

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IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF TEXAS DALLAS DIVISION

UNITED STATES OF AMERICA,

Plaintiff

v.

Civil Action No. 4:25-CV-01001

PANHANDLE EASTERN PIPE LINE COMPANY, LP,

Defendant.

THE UNITED STATES' ORIGINAL COMPLAINT

Plaintiff the United States of America, by the authority of the Attorney General of the United States, acting at the request of the Secretary of Transportation, files this complaint against Defendant Panhandle Eastern Pipe Line Company, LP.

I. PRELIMINARY STATEMENT

- 1. This is a civil action brought by the United States against Panhandle Eastern Pipe Line Company, LP (PEPL) for injunctive relief and civil penalties for violations of the federal pipeline safety laws codified in 49 U.S.C. § 60101, et seq. and regulations codified in 49 C.F.R. Part 192.
- 2. PEPL, a wholly owned subsidiary of Energy Transfer, LP, operates the Panhandle Eastern Pipe Line, a 6,200-mile interstate transmission line that delivers natural gas from (among other places) northern Texas and the Oklahoma panhandle to markets in the Midwest.

- 3. On March 26, 2020, an incident occurred on the Panhandle Eastern Pipe Line at the Borchers Station near Meade, Kansas, resulting in the death of a PEPL employee.
- 4. PHMSA's investigation indicates that PEPL failed to follow its manual of written procedures for conducting operations and maintenance activities at the Borchers Station in connection with the incident.
- 5. On June 15, 2023, PHMSA initiated an administrative enforcement proceeding against PEPL to recover civil penalties for the violations that led to the fatal gas pipeline incident at the Borchers Station.
 - 6. On April 22, 2025, PHMSA terminated that administrative proceeding.
- 7. The United States seeks injunctive relief and civil penalties for Defendant's violation of the federal pipeline safety laws and regulations pursuant to the Pipeline Safety Act, 49 U.S.C. § 60120.

II. JURISDICTION AND VENUE

- 8. This Court has subject-matter jurisdiction over this action pursuant to Sections 60120 and 60122 of the Pipeline Safety Act, 49 U.S.C. §§ 60120 and 60122, and 28 U.S.C. §§ 1331, 1345, and 1355.
- 9. Venue is proper in the Northern District of Texas under Section 60120 of the Pipeline Safety Act, 49 U.S.C. § 60120 and 28 U.S.C. §§ 1391(b)(1), (c)(2) and 1395(a) because PEPL resides in the Northern District of Texas and is headquartered in Dallas, Texas, where PEPL maintains its principal place of business.

III. PARTIES

- 10. Plaintiff the United States of America brings this action at the request of the Secretary of Transportation. 49 U.S.C. § 60120(a).
- 11. Defendant PEPL is a limited partnership organized under Delaware law and headquartered in Dallas, Texas. PEPL is a wholly owned subsidiary of Energy Transfer LP, a limited partnership organized under Delaware law and headquartered in Dallas, Texas. PEPL may be served at its principal place of business at 8111 Westchester Drive, Suite 600, Dallas, Texas 75225, through its registered agent.
- 12. Energy Transfer operates one of the largest natural gas pipeline systems in the United States, including approximately 20,090 miles of interstate natural gas pipelines.
- 13. PEPL operates a pipeline system that consists of four large-diameter, bidirectional natural gas transmission lines, extending approximately 1,300 miles from producing areas in the Anadarko Basin of Texas, Oklahoma and Kansas through Missouri, Illinois, Indiana, Ohio, and into Michigan.
- 14. Energy Transfer and PEPL are operators of gas pipeline facilities subject to regulation by the Department of Transportation, through PHMSA, under various statutes and regulations applicable to the transportation of gas by pipeline. 49 U.S.C. § 60118(a); 49 C.F.R. Part 192.
- 15. PEPL is a "person" as defined in 49 U.S.C. § 60101(a)(17) and 49 C.F.R. § 192.3.

IV. AUTHORITY

16. Authority to bring this action is vested in the United States Department of Justice under 49 U.S.C. § 60120(a)(1) and 28 U.S.C. §§ 516 and 519. Under section 60120(a), the United States may bring a civil action to enforce chapter 601 of Title 49 of the U.S. Code and to enforce a regulation prescribed under this chapter.

V. FEDERAL PIPELINE SAFETY REGULATIONS

- 17. The purpose of the Pipeline Safety Act "is to provide adequate protection against risks to life and property posed by pipeline transportation and pipeline facilities by improving the regulatory and enforcement authority of the Secretary of Transportation." 49 U.S.C. § 60102(a)(1).
- 18. Section 60102(a) of the Pipeline Safety Act directs the Secretary of the Department of Transportation to "prescribe minimum safety standards for pipeline transportation and for pipeline facilities." 49 U.S.C. § 60102(a).
- 19. Under Chapter 601, PHMSA has promulgated regulations prescribing, among other things, minimum safety standards for the operation and maintenance of gas pipeline facilities.
- 20. As relevant here, these regulations are codified at 49 C.F.R. Part 192 (the "Federal Gas Pipeline Safety Regulations").
- 21. The Federal Gas Pipeline Safety Regulations contain requirements that apply to operators of gas pipeline facilities.

- 22. The Federal Gas Pipeline Safety Regulations define "operator" as "a person who engages in the transportation of gas." 49 C.F.R. § 192.3. A "person" is defined for these purposes to include corporate entities, including "any . . . partnership." *Id*.
- 23. The Federal Gas Pipeline Safety Regulations require that operators of gas pipeline facilities "prepare and follow . . . a manual of written procedures for conducting operations and maintenance activities and for emergency response." 49 C.F.R. § 192.605(a).
- 24. The United States may bring an action to enforce the Federal Gas Pipeline Safety Regulations. 49 U.S.C. § 60120(a)(1). In such an action, the Court may award appropriate relief, including a temporary or permanent injunction, punitive damages, and civil penalties. *Id.* Moreover, civil actions to enforce the Federal Gas Pipeline Safety Regulations are not subject to the limitations on civil penalties at 49 U.S.C. § 60122, which only apply in PHMSA administrative proceedings. 49 U.S.C. § 60120(a)(1).

VI. FACTS

- 25. PEPL and its parent company Energy Transfer are both "operator[s]," meaning persons "engage[d] in the transportation of gas." *See* 49 C.F.R. § 192.3. A "person" in this context means "any individual, firm, joint venture, [or] *partnership.*" *Id.* (emphasis added).
- 26. On March 26, 2020, a PEPL technician was fatally injured in the course and scope of his duties at PEPL's Borchers Station near Meade, Kansas.
- 27. The PEPL technician was attempting to retrieve a 10-inch "cleaning pig" that became stuck in a partially pressurized receiving barrel at the Borchers Station due to

ice accumulation. A cleaning pig is an industry term for a cylindrical object that travels through the pipeline, removing deposits and contaminants like scale or rust.

- 28. The PEPL technician was attempting to break the ice in the receiving barrel using a stainless-steel rod. The PEPL technician broke the ice and caused the pig to become dislodged. The cleaning pig traveled out of the receiving barrel, striking the technician in the abdomen and seriously injuring him. The technician later died at the hospital from his injuries.
 - 29. PHMSA investigators traveled onsite to investigate the incident.
- 30. PHMSA's investigation revealed that PEPL failed to follow its manual of written procedures in four areas.
- 31. First, PEPL's written procedure titled Safety Procedure S-230, Hazardous Energy Control (Lockout Tagout) (Effective 08/01/2017) requires the operator to deenergize the pipe prior to performance of scheduled activities.
- 32. On the day of the incident, PEPL failed to ensure that the piping at the pig receiver was clear of any hazardous energy and de-energized as required by PEPL's written procedure.
- 33. Second, PEPL's written procedure titled Safety Procedure S-370 Work

 Permits (Effective 8/1/2017) requires a "General Work Permit" for potentially hazardous work.
- 34. Prior to the incident, PEPL failed to obtain a "General Work Permit" that requires identification of all potential hazards and communication of those hazards to relevant personnel as required by PEPL's written procedure.

- 35. Third, PEPL's written procedure titled *Standard Operating Procedures*, *Pigging and Pig Trap Operation, Procedure: I.13 (Effective 5/1/2015)* includes several requirements for technicians who are engaged in pigging.
- 36. Section 7.2 of the pigging procedures states that personnel cannot "stand in front of the launcher or receiver door in the project path of the line-cleaning tool while opening."
- 37. On the day of the incident, a PEPL technician was standing in front of the receiver while trying to dislodge ice in violation of PEPL's written procedure.
- 38. Section 7.5 of the pigging procedures states that PEPL must "[v]erify the trap is depressured and that SOP B.06 Hazardous Energy Control and Safety Procedure S-230 Lockout Tag out are followed before opening the closure."
- 39. On the day of the incident a PEPL technician opened the closure without verifying that the trap was depressured in violation of PEPL's written procedure.
- 40. Fourth, PEPL's written procedure titled *Best Practice Clearing Freezes BP I.17(Effective 6/1/2013)* requires the technician to notify the operations manager, discuss the procedures to handle freezes, and to blowdown slowly on either side of the freeze to maintain a differential of 50 psi or less across the freeze, among other requirements.
- 41. On the day of the incident, PEPL personnel failed to make the requisite notification and attempted to clear the ice with a stainless-steel rod, which was not an approved method to clear freezes, in violation of PEPL's written procedure.

CAUSE OF ACTION

Civil Penalties Under the Federal Gas Pipeline Safety Regulations 49 U.S.C. § 60120(a)

- 42. The United States realleges and incorporates by reference each of the preceding paragraphs as if fully set forth in this paragraph.
 - 43. PEPL is an "operator" within the meaning of 49 C.F.R. § 192.3.
- 44. The Federal Gas Pipeline Safety Regulations require that the "operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response." 49 C.F.R. § 192.605(a).
- 45. As the operator of the gas pipeline facilities at the Borchers Station, PEPL had an obligation to prepare and follow a manual of written procedures for conducting operations and maintenance activities on the day of the incident. 49 U.S.C. § 60118(a).
- 46. PEPL failed to follow its manual of written procedures for conducting operations and maintenance activities at the Borchers Station in violation of 49 C.F.R. § 192.605(a).
- 47. PEPL's violation of 49 C.F.R. § 192.605(a) caused a cleaning pig to be ejected from a partially-pressurized receiver barrel at the Borcher Station, which struck and ultimately killed a PEPL employee.

VII. PRAYER FOR RELIEF

Accordingly, the United States respectfully requests from this Court the following relief:

- 1. For such injunctive relief as necessary to compel PEPL to take appropriate actions to ensure PEPL's continued compliance with the Pipeline Safety Act and the Federal Gas Pipeline Safety Regulations;
- 2. Assess civil penalties against PEPL in an amount appropriate to the nature, circumstances, and gravity of the violation; the violator's degree of culpability; good faith in attempting to comply with regulations; the economic benefit gained from the violations without any reduction because of subsequent damages; and other matters that justice requires; and
- 3. Award the United States its costs of suit herein and grant all other additional relief as the Court may deem appropriate.

Respectfully submitted this 22nd day of April, 2025.

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