

July 27, 2016

Docket Management System
U.S. Department of Transportation
1200 New Jersey Avenue, S.E.
Room W12-140
Washington, DC 20590

RE: Docket ID PHMSA-2016-0049

To whom it may concern:

In response to the June 27, 2016, *Federal Register* notice, the Independent Petroleum Association of America (IPAA) provides comments on PHMSA's approach for establishing minimum pipeline safety standards for the transportation of carbon dioxide (CO₂) in a gaseous state. IPAA represents the thousands of independent oil and natural gas explorers and producers. Independent producers develop about 95 percent of American oil and gas wells, produce 54 percent of American oil, and produce 85 percent of American natural gas.

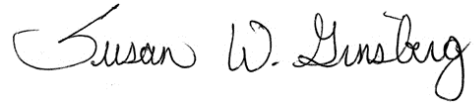
IPAA appreciates the obligations placed on PHMSA through congressional action. For regulation of pipelines carrying gaseous CO₂, IPAA urges PHMSA to first consider the role of states in regulating transportation of CO₂. Existing state regulation has resulted in an excellent safety record established by the CO₂ pipeline industry, which primarily consists of liquid CO₂ transport. Reliance on state regulation can achieve PHMSA's, and presumably Congress's, goal of ensuring safe transport of gaseous CO₂, without creating an added layer of federal regulation. When Congress passed the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011, the outlook for the oil and natural gas industry looked much different than today. With the downturn in commodity prices, the likelihood of significant build-out of pipelines for transporting gaseous CO₂ has diminished. Again, IPAA urges PHMSA to comply with the congressional directive by relying on state regulators to handle regulation of *potential* growth in gaseous CO₂ pipelines.

In response to PHMSA's specific question on the preferable regulatory framework for gaseous CO₂ pipelines—Part 195 vs Part 192, IPAA urges restraint in expanding PHMSA regulation of gaseous CO₂ pipelines. However, should PHMSA proceed with this effort, IPAA recommends continued reliance on Part 195, as it is familiar to those operators already transporting CO₂. In general, IPAA would discourage PHMSA from expanding application of regulations that are

undergoing significant changes (e.g., Hazardous Liquids Notice of Proposed Rulemaking; Pipeline Safety: Safety of Gas Transmission Pipelines Notice of Proposed Rulemaking).

IPAA appreciates the opportunity to provide comments, in which it strongly urges PHMSA to look to state regulators for continued oversight of gaseous CO₂ transport.

Sincerely,

A handwritten signature in black ink that reads "Susan W. Ginsberg". The signature is written in a cursive, flowing style.

Susan W Ginsberg
Vice President, Crude Oil & Natural Gas Regulatory Affairs
Independent Petroleum Association of America