



August 12, 2019

Pipeline Safety Department
Railroad Commission of Texas
P.O. Box 12967
Austin, Texas 78711-2967

Submitted via electronic mail to: Safety@rrc.texas.gov

RE: Informal Drafts of: 16 TAC Chapter 8 -- Pipeline Safety Regulations & Chapter 3--Oil and Gas Division §3.70. Pipeline Permits Required.

The Independent Petroleum Association of America (IPAA) submits the following comments in response to the Railroad Commission (RRC) informal draft of revised pipeline safety regulations for oil and natural gas pipelines. IPAA is a national upstream trade association representing thousands of independent oil and natural gas producers and service companies across the United States. Independent producers develop 91 percent of the nation's oil and natural gas wells. These companies account for 83 percent of America's oil production, 90 percent of its natural gas and natural gas liquids (NGL) production, and support over 4.5 million American jobs.

While IPAA focuses its advocacy efforts at the federal level, IPAA works closely with state associations representing America's oil and natural gas producers. The RRC draft has significant implications for how oil and natural gas is produced and transported in Texas. However, given the preeminent role that Texas oil and natural gas producers play in our country's prominence in energy production, the RRC draft would have effects nationwide, in terms of increased costs, potential reduced production, and likely precedential effects for other state oil and natural gas regulators. IPAA appreciates the significance of the RRC's role—in its stewardship of natural resources and the environment; its concern for personal and community safety; and its support of enhanced development and economic vitality for the benefit of Texans. IPAA focuses these brief comments on ensuring that the safe production and transport of oil and natural gas is accomplished with the appropriate balance between managing risk and compliance costs.

IPAA urges the RRC to allow the Pipeline and Hazardous Materials Safety Administration (PHMSA) to complete its final rule governing safety of natural gas gathering lines. While the RRC can exceed whatever final rule is enacted at the federal level, the lengthy review that the federal rule is undergoing should be instructive. IPAA has worked closely with its member companies on the pending PHMSA rule, where federal and state regulators, public sector members, and industry representatives have participated in the development of a rule that addresses concerns with higher-pressure, larger diameter natural gas gathering lines and institutes annual and incident reporting for all gathering lines, regardless of diameter or pressure. The data collected in these annual reports could then provide the data on whether additional regulation is needed and, if so, where the additional regulation should be focused.

IPAA endorses the comments submitted today by the Texas Alliance of Energy Producers. The Alliance also requests that the RRC delay in final rulemaking proposal until PHMSA completes its gas gathering rule.

To the extent that the RRC possesses data supporting the draft proposal, IPAA encourages the RRC to share this data so that regulators, the public, and operators can understand the specific areas of concern. IPAA appreciates the clarifications made at the July 24 meeting, (e.g., the understanding of what makes sense for line of sight requirements for line markers in rural settings).

IPAA supports the RRC in working to ensure that Texas oil and natural gas is produced and transported in a manner that minimizes risk while also supporting this development for the benefit of Texas residents. IPAA encourages the RRC to focus these efforts on the areas that would benefit most from the additional regulatory requirements. The smaller diameter, lower pressure lines are not likely to pose the risks that would justify the higher compliance costs for operators and regulators that the draft proposal would entail.

Respectfully submitted,

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