



Issue Snapshot: The Pipeline Safety Act

Background: The Pipeline and Hazardous Materials Safety Administration (PHMSA) and its pipeline safety authority reside primarily within the U.S. Department of Transportation (DOT), although its inspection and enforcement activities rely heavily upon partnerships with state pipeline safety agencies. PHMSA creates and sets national safety standards and delegates that authority (along with some funding) to the state commissions. PHMSA can fine states for not properly implementing and enforcing the standards.

The federal pipeline security program originally began with the DOT but immediately after the terror attacks of September 11, 2001, security authority was transferred to the Department of Homeland Security (DHS). DOT and DHS continue to work closely together, along with FERC, which oversees interstate pipelines.

Company Position: The federal pipeline safety program is authorized through September 30, 2015, under the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011. The act contains a broad range of provisions addressing pipeline safety and security. Among the most significant are provisions that could increase the number of federal pipeline safety inspectors, require automatic shutoff valves for transmission pipelines, mandate verification of maximum allowable operating pressure for gas transmission pipelines, increase civil penalties for pipeline safety violations, and mandate reviews of diluted bitumen pipeline regulation.

Starting in early 2015, the Transportation Committees in the House and Senate will begin to hold hearings on renewing the bill and Con Edison will actively follow the process.