



**TEXAS PIPELINE
ASSOCIATION**

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WHY PIPELINES MATTER TO YOU

Pipelines, like roads, are for the public benefit and are an essential component of our modern infrastructure. Through pipelines, the primary transportation mechanism of the oil and gas industry, we are able to safely and reliably transport the hydrocarbons – such as crude oil, petroleum products and natural gas – that fuel our economy.

Pipelines reduce the burden on our infrastructure. A moderate 20” pipeline running 50 miles through a county can displace 1,650 trucks – lessening congestion, pollution, traffic accidents and highway damage.

PIPELINES ARE HIGHLY REGULATED

The pipeline industry is highly regulated by state and federal agencies, including the Railroad Commission of Texas (RRC), the Texas Commission on Environmental Quality (TCEQ), the Environmental Protection Agency (EPA), the Pipeline and Hazardous Materials Safety Administration (PHMSA), the Federal Energy Regulatory Commission (FERC) and the U.S. Department of Labor's Occupational Safety and Health Administration (OSHA).

TPA member companies support regulatory oversight and work in partnership with these agencies to ensure full regulatory compliance. However, in order to construct and maintain the infrastructure necessary to meet the dramatically increasing demands of end-users and producers, the industry must be able to rely on sound, consistent and science-based policies. Inconsistency and unpredictability result in unnecessary delays and increased costs for pipeline companies, ultimately increasing the prices paid by the public for the fuels on which we are reliant, including gasoline, natural gas and natural gas liquids.

PIPELINES ARE SAFE AND RELIABLE



**Know what's below.
Call before you dig.**

Placing the highest priorities on safety, the industry continuously strives for improvement through ongoing training and awareness programs designed to ensure compliance with regulations and industry standards. In partnership with state and federal governments, pipeline companies work aggressively to enhance pipeline safety awareness through programs such as "811: Call Before You Dig."

TPA member companies monitor pipelines using advanced technologies and techniques, including smart pigs, drone surveillance, advanced laser leak detection and telecommunications and computer systems such as SCADA (Supervisory Control and Data Acquisition). The industry also employs Cathodic Protection, a technique used to control the corrosion of a metal surface by placing an electrical current on the pipeline that reduces external corrosion.

Additionally, in accordance with company policies, as well as state- and federally-mandated requirements, the industry meets regularly with, and trains, first responders to test and refine emergency equipment.

Pipelines are the safest, most reliable, efficient and economic means of transporting natural gas, crude and refined petroleum products.

DID YOU KNOW?

Pipeline safety is improving. Over the past five years, pipeline operators have **reduced the number of liquids pipeline incidents** impacting people or the environment by 20 percent – even as pipeline mileage and barrels delivered have both increased by more than 10 percent, according to the American Petroleum Institute (API) and the Association of Oil Pipe Lines (AOPL) 2019 Pipeline Safety Excellence Performance Report.

The liquids pipeline industry spent more than \$1.6 billion in one year alone to enhance pipeline safety measures, according to the AOPL, which also found that the industry **safely delivered 99.999 percent of products transported annually.**

Texas was the first state in the nation to mandate a pipeline integrity management program, which requires pipelines to be inspected, both physically and visually, for safety and reliability and covers more miles of pipeline on each system than the federal integrity program. These integrity assessment and management plans are reviewed every three years. TPA member companies also voluntarily inspect their pipelines regularly.

Information provided by the *Railroad Commission of Texas*. [Updated Aug. 14, 2019]



MORE THAN **469,737**
TOTAL PIPELINE MILES IN TEXAS

MORE THAN **417,170**
TOTAL INTRASTATE PIPELINE MILES IN TEXAS

PIPELINES HELP PROTECT THE ENVIRONMENT, WITH METHANE EMISSIONS REMAINING FLAT – DESPITE A DRAMATIC GROWTH IN PRODUCTION

Since 2006, natural gas production in the U.S. has increased by 46 percent, yet total domestic methane emissions and methane emissions from oil and gas activity have remained flat during that same period, according to a 2019 study based on data collected by a research team from NOAA's Earth System Research Laboratory in Boulder, Colorado, and Lawrence Berkeley National Laboratory in Berkeley, California.¹

These results are consistent with 2019 greenhouse gas emissions data published by the U.S. Environmental Protection Agency (EPA),² which found that methane emissions from the oil and natural gas production, natural gas processing and natural gas transmission and storage segments decreased by two percent between 2008 and 2017, even though that was a period of substantial increases in oil and natural gas production.

This has been achieved by, among other things, voluntary efforts to integrate emission reduction practices into company operating procedures, participation in voluntary industry programs focused on reducing emissions and installation of more efficient, lower-emitting equipment. Pipelines also help to protect our environment and health by reducing pollution associated with other methods of fuel transportation.

PIPELINES HELP BUILD TEXAS INFRASTRUCTURE

As pipelines are a necessary component of the state's energy infrastructure, the Texas pipeline industry commits to safe operation, environmental stewardship and respect for landowners and the communities in which it operates.

Because pipelines are considered common carriers or gas utilities for public use, pipeline companies have the right to invoke eminent domain when necessary. However, the use of eminent domain is never the industry's first preference. Eminent domain has the potential to hinder the construction of a pipeline and drive up construction and project costs. Recognizing that it is important to cultivate good neighborly relations, pipeline companies much prefer to obtain property rights-of-way through fair, market-driven negotiations with landowners. In fact, the vast majority of pipeline miles built in Texas were not constructed using condemnation.

In 2017, TPA conducted a sampling of 15,000 miles of pipeline that were constructed over the past six years from almost 35,000 tracts of land. The data shows that the industry sent condemnation filings less than four percent of the time, illustrating a 96 percent success rate in negotiating with landowners; less than one percent ever went to a special commissioners' hearing and less than three hundredths of one (0.03) percent ever went to trial.

This underscores that negotiations between landowners and pipeline companies are overwhelmingly successful. We are very proud of that. To further ensure the delivery of these vital resources to Texans, the 85th Texas Legislature passed the Critical Infrastructure Protection Act, which attaches liability to those who potentially damage or destroy critical infrastructure facilities. However, HB3557 does not affect those who engage in peaceful protest. It does protect vital state infrastructure activities by enhancing safety measures for local communities, law enforcement and industry employees, while ensuring that peaceful protests can continue.

1. Long-Term Measurements Show Little Evidence for Large Increases in Total U.S. Methane Emissions Over the Past Decade, Geophysical Research Letters 10.1029/2018GL081731 (May 15, 2019).

2. 84 Fed. Reg. 50270 (Sept. 24, 2019) (citing methane emissions data from Inventory of U.S. Greenhouse Gas Emissions and Sinks: 2008-2017 (published April 11, 2019)).

3. Current and Future Economic Impacts of the Texas Oil & Gas Industry (July 2014). Prepared for the Texas Pipeline Association by multiple departments at Texas Tech University.

NATURAL GAS PRODUCTION IN THE U.S.

46%

INCREASE SINCE 2006

YET TOTAL DOMESTIC METHANE EMISSIONS AND METHANE EMISSIONS FROM OIL AND GAS ACTIVITY HAVE REMAINED FLAT DURING THAT SAME PERIOD¹

BETWEEN 2008 AND 2017 METHANE EMISSIONS FROM OIL & GAS ACTIVITIES DECREASED BY

2%

DESPITE SUBSTANTIAL INCREASES IN PRODUCTION²

HB3557 ENSURES PEACEFUL PROTESTS CAN CONTINUE.

THE TEXAS PIPELINE INDUSTRY HAS A

96%

SUCCESS RATE IN NEGOTIATING WITH LANDOWNERS

WHAT WOULD WE DO WITHOUT THEM?

A one-of-a-kind TPA-commissioned study³ led by Texas Tech found that in one year alone, through its ongoing operations and related construction, the pipeline industry contributed:

\$33 BILLION

IN ECONOMIC OUTPUT

165,000+

JOBS SUPPORTED

\$18.7 BILLION

IN GROSS STATE PRODUCT

\$1.6 BILLION

IN STATE AND LOCAL GOVERNMENT TAXES

Through 2024 the industry is estimated to inject significant dollars and myriad jobs into the Texas economy:

\$374 BILLION

IN TOTAL ECONOMIC OUTPUT

171,000

SUSTAINED JOBS PER YEAR

\$212 BILLION

IN GROSS STATE PRODUCT

\$1.5-2 BILLION

PER YEAR IN STATE AND LOCAL GOVERNMENT REVENUE



Texas Pipeline Association is the largest state trade association in the country, representing solely the interests of the intrastate pipeline network. TPA is the primary resource for information regarding the Texas pipeline industry and provides advocacy on issues related to pipeline safety, environmental regulations, taxation and legislation. Member companies and their representatives commit to conducting their business in accordance with integrity, honest communication, fair right-of-way acquisition, respectful construction and safe operations. For more information, please visit www.texaspipelines.com.