

COMMONWEALTH OF PENNSYLVANIA
HOUSE OF REPRESENTATIVES

ENVIORNMENTAL RESOURCES & ENERGY COMMITTEE
PUBLIC HEARING

STATE CAPITOL
HARRISBURG, PA

IRVIS OFFICE BUILDING
ROOM G-50

TUESDAY, AUGUST 17, 2021
11:00 A.M.

PRESENTATION ON
ENVIRONMENTAL & ECONOMIC BENEFITS OF PIPELINES

BEFORE:

HONORABLE DARYL METCALFE, MAJORITY CHAIRMAN
HONORABLE MIKE ARMANINI (VIRTUAL)
HONORABLE STEPHANIE BOROWICZ (VIRTUAL)
HONORABLE DONALD COOK (VIRTUAL)
HONORABLE R. LEE JAMES (VIRTUAL)
HONORABLE RYAN MACKENZIE (VIRTUAL) HONORABLE
TIMOTHY O'NEAL (VIRTUAL) HONORABLE KATHY
RAPP
HONORABLE TOMMY SANKEY
HONORABLE PERRY STAMBAUGH
HONORABLE RYAN WARNER (VIRTUAL)
HONORABLE GREG VITALI, DEMOCRATIC CHAIRMAN
HONORABLE ELIZABETH FIEDLER (VIRTUAL)
HONORABLE MANUEL GUZMAN
HONORABLE MARY ISAACSON
HONORABLE PAM SNYDER

* * * * *

*Pennsylvania House of Representatives
Commonwealth of Pennsylvania*

COMMITTEE STAFF PRESENT:

GLENDON KING

MAJORITY EXECUTIVE DIRECTOR

GRIFFIN CARUSO

MAJORITY RESEARCH ANALYST

ALEX SLOAD

MAJORITY RESEARCH ANALYST

PAM NEUGARD

MAJORITY ADMINISTRATIVE ASSISTANT

SARAH IVERSEN

MINORITY EXECUTIVE DIRECTOR

BILL JORDAN

MINORITY RESEARCH ANALYST

I N D E X

TESTIFIERS

* * *

<u>NAME</u>	<u>PAGE</u>
JOHN STOODY, VICE PRESIDENT, GOVERNMENT & PUBLIC RELATIONS ASSOCIATION OF OIL PIPE LINES (AOPL).....	10
KEITH COYLE, ESQUIRE, BABST CALLAND CHAIR, MARCELLUS SHALE COALITION PIPELINE SAFETY WORKGROUP.....	28
PAUL HARTMAN, SENIOR POLICY ADVISOR AMERICAN PETROLEUM INSTITUTE (API).....	43
DAVID HORN, LECET Construction Market Rep Mid Atlantic LiUNA.....	61
DAVID BUTTERWORTH, BUSINESS AGENT PIPELINERS LOCAL 798.....	65
DAVID MARKS, EASTERN ENERGY FIELD SERVICES, f/k/a DOMINION ENERGY FIELD SERVICES BOARD OF DIRECTORS, PIOGA.....	83

SUBMITTED WRITTEN TESTIMONY

* * *

(See submitted written testimony and handouts online.)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

P R O C E E D I N G S

* * *

MAJORITY CHAIRMAN METCALFE: This meeting of the House Environmental Resource & Energy Committee is called to order for our hearing today. Before we get started, if I could ask everybody to please rise and Representative Rapp, would you be kind enough to lead us in the Pledge, ma'am?

(Pledge of Allegiance recited.)

MAJORITY CHAIRMAN METCALFE: Thank you, Representative Rapp.

Today's public hearing is --

(Disturbance in Hearing Room.)

MAJORITY CHAIRMAN METCALFE: Today's public --

(Disturbance in Hearing Room.)

MAJORITY CHAIRMAN METCALFE: Security, would you please --

(Disturbance in Hearing Room.)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

MAJORITY CHAIRMAN METCALFE: This meeting is for us to hear from meeting -- from experts on pipelines and with the current disruption that the gentleman is causing --

(Disturbance in Hearing Room.)

MAJORITY CHAIRMAN METCALFE: -- we're going to

(Disturbance in Hearing Room.)

MAJORITY CHAIRMAN METCALFE: -- be at ease for a couple of moments until security can remove the disrupting individual from our hearing room.

But just for the benefit of the other guests, today's public hearing of the House Environmental Resource & Energy Committee is for the Committee to hear from experts on the environmental and economic benefits of pipelines.

We will not be allowing for any input from the audience today. The audience is allowed to be here to hear the same testimony as being heard by the Committee and if anybody becomes a disruption, we'll ask you to move -- remove yourself or be removed by our security as was just

1 done with the previous disrupter.

2 So if you'd like to be here to hear what the
3 Committee's going to hear, then you're certainly welcome to
4 stay, but we would ask the audience to not be making any
5 type of a noise level that would cause a disruption to
6 either our testifiers or to the Committee being able to
7 hear the testimony that's being received today.

8 Today's hearing is once again going to be on the
9 environmental and economic benefits of pipelines. We have
10 a number of testifiers lined up. And our first testifier
11 is Mr. John Stoody, Vice President, Government & Public
12 Relations, Association of Oil Pipelines, APOL. Thank you,
13 sir, for joining us today.

14

15 (Disturbance in Hearing Room.)

16

17 MAJORITY CHAIRMAN METCALFE: Security, would you
18 please remove the next disruptor? Thank you.

19

20 (Disturbance in Hearing Room.)

21

22 MAJORITY CHAIRMAN METCALFE: While the current
23 disruptor is being removed, we'll go ahead and take a quick
24 roll call for -- we do have our Member Secretary that's
25 joining us virtually, I believe, Representative Lee James

1 is online, but being as though as he is not here with us,
2 we will have -- he is not physically here with us,
3 Representative James, we'll have Pam, my AA fill in and
4 take the roll call.

5 REPRESENTATIVE JAMES: Thank you, Mr. Chairman.

6 MS. NEUGARD: Chairman Metcalfe?

7 MAJORITY CHAIRMAN METCALFE: Here.

8 MS. NEUGARD: Representative Armanini is virtual.

9 REPRESENTATIVE ARMANINI: Correct, here.

10 MS. NEUGARD: Representative Borowicz, virtual.

11 Representative Cook --

12 REPRESENTATIVE BOROWICZ: Correct, I'm here.

13 MS. NEUGARD: Representative Cook is virtual.

14

15 (Disturbance in Hearing Room.)

16

17 REPRESENTATIVE COOK: Here.

18 MS. NEUGARD: Representative Hamm on leave.

19 Representative James, virtual.

20 REPRESENTATIVE JAMES: Here.

21 MS. NEUGARD: Representative Kail?

22

23 (No response.)

24

25 MS. NEUGARD: Representative Mackenzie, virtual.

1 REPRESENTATIVE MACKENZIE: Here.

2 MS. NEUGARD: Representative O'Neal, virtual.

3

4 (No response.)

5

6 MS. NEUGARD: Representative Ortitay on leave.

7 Representative Rapp?

8 REPRESENTATIVE RAPP: Here.

9 MS. NEUGARD: Representative Sankey?

10 REPRESENTATIVE SANKEY: Here.

11 MS. NEUGARD: Representative Schemel on leave.

12 Representative Stambaugh?

13 REPRESENTATIVE STAMBAUGH: Here.

14 MS. NEUGARD: Representative Warner, virtual.

15

16 (No response.)

17

18 MS. NEUGARD: Chairman Vitali?

19 DEMOCRATIC CHAIRMAN VITALI: Here.

20 MS. NEUGARD: Representative Fiedler?

21 DEMOCRATIC CHAIRMAN VITALI: Virtual.

22 REPRESENTATIVE FIEDLER: Here.

23 MS. NEUGARD: Representative Guzman?

24

25 (No response.)

1

MS. NEUGARD: Representative Herrin?

2

3

DEMOCRATIC CHAIRMAN VITALI: Leave.

4

MS. NEUGARD: Representative Hohenstein?

5

6

(No response.)

7

8

MS. NEUGARD: Representative Isaacson?

9

REPRESENTATIVE ISAACSON: Here.

10

MS. NEUGARD: Representative Krajewski?

11

DEMOCRATIC CHAIRMAN VITALI: Leave.

12

MS. NEUGARD: Representative Krueger?

13

14

(No response.)

15

16

MS. NEUGARD: Representative Otten?

17

DEMOCRATIC CHAIRMAN VITALI: Leave.

18

MS. NEUGARD: Representative Snyder?

19

DEMOCRATIC CHAIRMAN VITALI: Leave.

20

MAJORITY CHAIRMAN METCALFE: Thank you, Pam.

21

Sir, you can begin when you're ready. Thank you

22

for being here --

23

MR. CARUSO: You --

24

MAJORITY CHAIRMAN METCALFE: Oh, first, yeah,

25

thank you, Griffin.

1 We do have new rules this session, so we're going
2 to be asking our testifiers to be sworn in. If you
3 wouldn't mind rising, sir.

4
5 (Oath administered.)

6
7 MAJORITY CHAIRMAN METCALFE: Thank you, sir.

8 MR. STODY: Thank you, Majority Chairman
9 Metcalfe and Committee Members.

10 My name is John Stody and I am Vice President of
11 Government & Public Relations for the Association of Oil
12 Pipelines.

13 AOPL represents liquid pipeline owners and
14 operators transporting crude oil petroleum products like
15 gasoline, diesel, jet fuel, home heating oil and propane,
16 and industrial products like methane.

17 We have over 50 member companies, several here in
18 Pennsylvania which deliver in total over 22.8 billion
19 barrels of products annually over a 228,000 mile network of
20 pipelines across the country.

21 Thank you for inviting me here today to discuss
22 the economic and environmental benefits of pipelines.

23 If you support a healthy, vibrant economy, you
24 should support pipelines. If you support creating and
25 keeping good paying jobs, you should support pipelines. If

1 you support providing affordable energy to families, you
2 should support pipelines. If you should -- if you support
3 delivering energy in the most environmentally protective
4 way, you should support pipelines. And if you support
5 reducing greenhouse gas emissions, you should support
6 pipelines.

7 As State Representatives of Pennsylvania, I know
8 you are well-versed in the benefits of energy production in
9 your state. You know that revenues from Pennsylvania
10 Impact Fees have generated over a billion dollars to the
11 benefit of all 67 counties. You know that Pennsylvania
12 Energy Impact Fee Revenues have generated hundreds of
13 millions of dollars for statewide environmental and
14 conservation programs.

15

16 (Disturbance in Hearing Room.)

17

18 MAJORITY CHAIRMAN METCALFE: I'd ask security to
19 remove our disruptor. Mr. Stody, we'll just suspend for a
20 moment and we'll let you continue once we've got the
21 disruptor out of the room.

22

23 (Disturbance in Hearing Room.)

24

25 MAJORITY CHAIRMAN METCALFE: -- of the Left's way

1 of dealing with the constitutional republic in which we
2 live instead of understanding that a constitutional
3 representative republic operates under the rule of law and
4 operates in a respectful way. We see individuals that have
5 not been elected to the positions to make policy decisions
6 and haven't been invited to be heard by those people who
7 have been elected, but decide that they're going to try and
8 be heard regardless and interrupt others and be
9 discourteous in the process.

10 So we can begin again now, sir. We've removed
11 that protester. I'm sure we probably got another one
12 hiding out in the ranks here.

13 MR. STODY: Thank you, Mr. Chairman.

14 Pennsylvania families and workers are benefitting
15 from the State's energy production. Energy development has
16 generated over \$10 billion in royalty payments to
17 Pennsylvania citizens since 2010.

18 Pennsylvania Energy Development supports over
19 300,000 direct and indirect jobs and contributes \$45 billion
20 to Pennsylvania's economy. Annual household energy savings
21 average \$1,200 due to low cost Pennsylvania energy.

22 Today's hearing is important because these
23 benefits cannot come to the people of Pennsylvania without
24 pipelines. The energy produced in Pennsylvania cannot be
25 developed without pipelines to deliver it. Sure, trucks or

1 trains can deliver some amount of energy, but pipelines are
2 the only way to deliver high volumes of energy long
3 distances.

4 In Western Pennsylvania, thousands of
5 construction jobs and hundreds of permanent jobs from the
6 new Pennsylvania Petro Chemical's complex in Beaver will
7 depend on a new natural gas liquids pipeline bringing raw
8 material feedstock from Ohio, West Virginia, and
9 Pennsylvania.

10 In Southeastern Pennsylvania, three natural gas
11 liquids pipelines including one new pipeline are enabling
12 \$140 million to \$210 million of ongoing annual impacts from
13 the Marcus Hook Industrial complex that will support 360 to
14 530 direct, indirect, and induced jobs with a total earning
15 of \$30 million to \$45 million.

16 But Pennsylvania energy workers delivering or
17 supporting energy production are not the only ones to
18 benefit from pipelines. The truth is every person in
19 Pennsylvania benefits from and depends upon pipelines to
20 get the energy they need.

21 When a Pennsylvania resident fills up the tank of
22 her car at the gas station, that energy needed to travel at
23 some point by pipeline. When a Pennsylvania homeowner
24 takes delivery of home heating fuel or propane, that energy
25 needed to travel at some point on a pipeline. When a rural

1 Pennsylvania homeowner or farmer fills their propane tank,
2 that energy needs to travel at some point on a pipeline.
3 And when someone wants to fly to or from Pennsylvania, jet
4 fuel was delivered to the airport at some point on a
5 pipeline.

6 And entire network of refined product pipelines
7 fans out from Southeastern --

8

9 (Disturbance in Hearing Room.)

10

11 MAJORITY CHAIRMAN METCALFE: If all of you
12 protestors would be so kind as to all speak at once, so we
13 could avoid the disruptions, I would greatly appreciate
14 that, although I don't think you'll honor my request.

15 But Mr. Stody, we'll just suspend for a moment
16 as you have to remove this protestor. And I appreciate
17 your patience, sir.

18 I would apologize for the disruptions, but these
19 are things we can't prevent until they occur. So we did
20 know that there were protestors roaming the hall with their
21 signs and such, so we had to ask security to be ready to
22 handle those protestors as we entered into the hearing
23 today. But if they can't get their way at the election
24 ballot box, then they try and force their way, trying to
25 force themselves to be heard through disruptions and

1 protests that are not appropriate for a setting like this.

2 DEMOCRATIC CHAIRMAN VITALI: I would just note
3 that civil disobedience is a time --

4 MAJORITY CHAIRMAN METCALFE: Representative,
5 Representative Vitali you are out of order.

6 DEMOCRATIC CHAIRMAN VITALI: -- honored tradition
7 of moving policy --

8 MAJORITY CHAIRMAN METCALFE: Representative
9 Vitali, you are out of order.

10 DEMOCRATIC CHAIRMAN VITALI: -- this country. So
11 I respect --

12 MAJORITY CHAIRMAN METCALFE: Representative
13 Vitali --

14 DEMOCRATIC CHAIRMAN VITALI: -- those --

15 MAJORITY CHAIRMAN METCALFE: -- you're out of
16 order and I'll have you removed if you don't suspend.

17 DEMOCRATIC CHAIRMAN VITALI: Well just -- why
18 don't you just try then?

19 MAJORITY CHAIRMAN METCALFE: I won't just try, I
20 will do it, sir.

21 DEMOCRATIC CHAIRMAN VITALI: Go ahead. Go ahead.
22 Go ahead.

23 MAJORITY CHAIRMAN METCALFE: Suspend your
24 disruptions, Vitali, Representative Vitali. Turn your mic
25 off, please, sir. Thank you, sir.

1 Mr. Stoody, we can begin when you're ready, sir.

2 MR. STOODY: An entire network of refined
3 products pipelines fans out from Southeastern Pennsylvania
4 across the state, delivering gasoline, diesel, and jet fuel
5 to terminals assessed -- accessed by Pennsylvania gas
6 stations.

7 Large mainline pipelines in New Jersey that
8 supply Pennsylvania actually originate in Texas.
9 Refineries in Texas and Louisiana supplying the northeast
10 and states like Pennsylvania depend upon crude oil
11 pipelines delivering from West Texas, New Mexico, the Great
12 Plains, even as far away as Canada.

13 There are nearly 13 million people in
14 Pennsylvania and according to the federal government,
15 Pennsylvanians consume 4.5 billion gallons of gasoline and
16 2.5 billion gallons of diesel fuel in 2019. That is why we
17 need a national network of over 215,000 miles of pipelines
18 delivering 23 billion barrels of crude oil for the 13
19 million people in Pennsylvania and the 330 million people
20 across the United States.

21 Not only are pipelines the best way to deliver
22 large amounts of energy, they are also the safest.
23 According to the federal government safety statistics,
24 99.999 percent of crude oil and petroleum products, barrels
25 delivered by pipeline, reach their destination safely.

1 Not only are pipelines safe, they are both safer
2 and more protective of the environment than alternative
3 forms of transportation such as trucks or trains.

4 An Obama Administration review of a large crude
5 oil pipeline project studied the environmental impacts of
6 the pipeline versus the alternative --

7
8 (Disturbance in Hearing Room.)

9
10 MAJORITY CHAIRMAN METCALFE: Well, they have
11 their pre-written protest lines to deliver, so thank you,
12 Mr. Stoody.

13 And if I could ask security to please remove the
14 lady in the front row also that's videotaping that seems to
15 be here with the protestors has been making comments along
16 the way and being disruptive for the Committee Members that
17 are sitting here and attempting --

18 DEMOCRATIC CHAIRMAN VITALI: Point of order.

19 MAJORITY CHAIRMAN METCALFE: -- to
20 (indiscernible) into our --

21 DEMOCRATIC CHAIRMAN VITALI: Point of order.
22 Point of Order. Guards, hold on a second. I don't think
23 the --

24 MAJORITY CHAIRMAN METCALFE: You're out of order.
25 You're out of order, Representative Vitali.

1 DEMOCRATIC CHAIRMAN VITALI: -- House rules
2 prohibit -- the house rules do not prohibit --

3 MAJORITY CHAIRMAN METCALFE: You're out of order.

4 DEMOCRATIC CHAIRMAN VITALI: -- taking videos.
5 Guards, you are making a mistake. I am going to file a
6 complaint.

7 MAJORITY CHAIRMAN METCALFE: Representative
8 Vitali, you are to suspend.

9 DEMOCRATIC CHAIRMAN VITALI: The House rules do
10 not prohibit --

11 MAJORITY CHAIRMAN METCALFE: Representative
12 Vitali --

13 DEMOCRATIC CHAIRMAN VITALI: -- taking videos in
14 this hearing.

15 MAJORITY CHAIRMAN METCALFE: She's not being
16 removed for taking videos.

17 DEMOCRATIC CHAIRMAN VITALI: I'm going to ask the
18 guards to check the rules --

19 MAJORITY CHAIRMAN METCALFE: She's being removed
20 because the way her behavior has been --

21 DEMOCRATIC CHAIRMAN VITALI: She has not been
22 disruptive.

23 MAJORITY CHAIRMAN METCALFE: -- has been in that
24 front seat has been disruptive --

25 DEMOCRATIC CHAIRMAN VITALI: She has not said

1 anything --

2 MAJORITY CHAIRMAN METCALFE: -- the Chairman of
3 this Committee.

4 DEMOCRATIC CHAIRMAN VITALI: -- disruptive. You
5 are violating the House rules by removing someone simply by
6 video recording this and I'm going to ask the guards to
7 check that --

8 MAJORITY CHAIRMAN METCALFE: Representative
9 Vitali, you're out of order.

10 DEMOCRATIC CHAIRMAN VITALI: -- lady in, once you
11 check --

12 MAJORITY CHAIRMAN METCALFE: Representative
13 Vitali, you're out o order.

14 DEMOCRATIC CHAIRMAN VITALI: -- the rules. We're
15 going to call the Parliamentarian right now.

16 MAJORITY CHAIRMAN METCALFE: Representative
17 Vitali -- Representative Vitali, you're out of order. And
18 as I said, you'll be removed ultimately, if you don't stop
19 your disruptions to this Committee.

20 DEMOCRATIC CHAIRMAN VITALI: Yeah, why don't you
21 just try that Mr. Chairman. I think the power has gone to
22 your head.

23 MAJORITY CHAIRMAN METCALFE: I asked security to
24 remove the lady in the front row because she's been
25 disruptive to the Chairman and if she's been disruptive to

1 the Chairman's observance and receipt of information from
2 this testifier, I assume she's being also disruptive to
3 other Members, especially on the right side of me here in
4 the room, due to her behavior, her making comments while
5 protestors are being removed into her camera. It seems
6 like she was working as more a reporter for the protestors
7 than she was somebody who just wanted to film what was
8 going on. Her video would have been welcomed. That's why
9 we allowed it for as long as we did, but her behavior and
10 her body language and her actions was totally inappropriate
11 for this Committee section in the front row seated right
12 behind the testifier and she was not removed because of the
13 video, but because of her behavior. Thank you.

14 Mr. Stoody, we'll begin for the fourth or fifth
15 time. You're a very patient man, I appreciate it.

16 MR. STOODY: Career government officials of the
17 Obama Administration concluded the probability of an
18 incident is 800 times greater by rail than by pipeline.
19 That government review also found transporting the same
20 amount of product by rail instead of pipeline would result
21 in 2.6 more times more crude oil released into the
22 environment.

23 The Obama Administration also studied the
24 greenhouse gas impacts and found that a pipeline emits 42
25 percent less greenhouse gas emissions than transporting the

1 same amount of energy by rail. They calculated that
2 rejecting a major pipeline and shipping that same energy by
3 rail increases greenhouse gas emissions by 1.2 million
4 metric tons of carbon dioxide equivalent per year. This is
5 largely because liquids pipelines are operated by
6 electricity with almost no direct greenhouse gas emissions.
7 The indirect emissions from the power needed to operate
8 electric pumps is still far less than the diesel locomotive
9 trains.

10 The federal government also looks at pipeline
11 safety data over time. Over the last five years, pipeline
12 operators have reduced the number of liquids pipeline
13 incidents by 21 percent. Liquids pipeline incidents
14 impacting people or the environment are down 38 percent
15 since 2016. Government data also shows liquids pipeline
16 incidents caused by corrosion, cracking, or weld failures
17 impacting people or the environment are down 58 percent
18 over that period.

19 The data is clear, not only are pipelines safe,
20 they are getting safer. Not only do pipelines protect the
21 environment, they result in lower greenhouse gas emissions.
22 Not only are pipelines necessary to every Pennsylvanian,
23 they bring huge benefits to families, counties, and state
24 programs across the Commonwealth.

25 Thank you again for inviting me here today and I

1 look forward to answering your questions.

2 MAJORITY CHAIRMAN METCALFE: Thank you, sir. I
3 appreciate all the points you made even with all the
4 interruptions on the environmental and economic benefits of
5 pipelines.

6 Members with any question for the testifier?
7 We'll start with one question from Representative Vitali
8 and then if we have time, then we can go back for a second
9 round. Representative Vitali?

10 DEMOCRATIC CHAIRMAN VITALI: Thank you, Mr.
11 Chairman.

12 I'm going to read a number of statements, then
13 I'm going to ask you questions relative to them. As
14 referenced earlier, the --

15 MAJORITY CHAIRMAN METCALFE: Representative
16 Vitali, just so one question and then we may come back to
17 you if we have time. But based on your earlier disruptions
18 of the process, we're not going to have time for as many
19 questions as you would have been allotted. So please ask
20 one question and then we will have -- if we have time that
21 we've allotted for this testifier, then I can come back to
22 you. Thank you.

23 DEMOCRATIC CHAIRMAN VITALI: Okay. As made
24 reference to by former testifiers, the IPCC report which
25 came out in August, Secretary -- U.N. Secretary Guterres

1 called that a code red for humanity.

2 Now I want to read you a couple of sections of
3 that and then ask you a question.

4 This report said and I'm quoting, "It is
5 unequivocal that human influence has warmed the atmosphere,
6 ocean, and land. Each of the last four decades have been
7 successfully warmer than any other decade that preceded it
8 since. The scale of recent changes across the climate
9 system as a whole and the present scale of many aspects of
10 the climate system are unprecedented over many centuries to
11 many thousands of years. In 19 -- in 2019, atmospheric
12 concentrations of CO2 were higher than at any time in at
13 least 2 million years. Human induced climate change is
14 already affecting many weather and climate extremes in
15 every region across the globe."

16 Yeah. My question really is this. You know, I
17 understand the current need for existing pipelines. I
18 think many of us use gas to heat our home and cook, but how
19 do you square this "code red for humanity" call for urgent
20 reduction of greenhouse gas? Keeping us under 1.5 degrees
21 Celsius, keeping us carbon neutral, how do you square that
22 with building future fossil fuel infrastructure and, in
23 particular, pipelines?

24 MR. STODY: Thank you, Representative. That's
25 an important question and something that with which we are

1 grappling with as well as you are.

2 We know state governments and federal governments
3 are -- the federal government has a variety of proposals to
4 help the transition, the energy transition to cleaner
5 energy. We know this is taking place. There are certainly
6 debates over what programs and solutions may occur, but we
7 know that even the most aggressive scenarios for our energy
8 use and the technologies, our vehicles, automotive vehicles
9 and the like forecast we'll need traditional energy
10 pipelines for literally decades to come.

11 So as long as we need this energy, we want to
12 provide the safest and most environmentally sustainable way
13 to get that energy to who is eventually or ultimately
14 demanding that energy which is consumers, workers, and
15 families across the nation.

16 MAJORITY CHAIRMAN METCALFE: Thank you.

17 Representative Rapp, do you have a question for
18 the testifier?

19 REPRESENTATIVE RAPP: No, Mr. Chairman.

20 MAJORITY CHAIRMAN METCALFE: Representative
21 Sankey?

22 REPRESENTATIVE SANKEY: Briefly, yeah. And thank
23 you, Mr. Moody (sic).

24 Not including residential pipelines or pipelines
25 on private property or pipeline -- small pipelines that go

1 to nearly every residence in the more urban areas. Do you
2 have any idea like larger scale pipelines, how many mile
3 pipeline we have in the Commonwealth now?

4 MR. STOODY: Yes. The reference you make we call
5 distribution pipelines, your local gas company utility.
6 And our member companies are the long distance transmission
7 pipelines, sometimes within the state, sometimes
8 interstate. You're looking at probably at least a thousand
9 miles of pipelines. They are going as you know, from west
10 to east with natural gas liquids. From east to west with
11 gasoline, diesel, jet fuel. There's a whole series, a
12 network of pipelines that goes from southeast north up into
13 New York State and delivers along the way.

14 So obviously, you're a top energy producer, but
15 you also have a significant number of transmission
16 pipelines as well.

17 MAJORITY CHAIRMAN METCALFE: Thank you,
18 Representative Sankey.

19 Now the Minority Chair brought up the IPCC, the
20 United Nations report. And it's claiming that the world
21 must cut carbon emissions by 50 to 100 percent by 2050.
22 Where the Western world is taking measures as you had
23 mentioned, you know, various measures across the
24 marketplace. Some we've seen reductions here in
25 Pennsylvania. We're seeing reductions because of the use

1 of natural gas over other ways to create energy also.

2 But while we're decommissioning some of our coal-
3 fired type power plants, China and other nations, I think
4 Vietnam was included, India, Turkey, I believe. I mean,
5 they're all growing the use of coal in their countries.
6 And for every decommissioned plant we have or energy
7 generator we have here, my understanding is that they have
8 five new ones in China that they're putting up.

9 Do you have any comments on what's going on in
10 China and other places with the use of those types of power
11 that really aren't adding to helping the problem, but
12 actually hurting the ability to move forward the way that
13 the U.N. IPCC would claim that we need to move?

14 MR. STOODY: I think Pennsylvanians can be proud
15 of the way that you're producing cleaner energy and
16 delivering that energy across the state and across the
17 world. Transitioning from coal to natural gas as some
18 regions have chosen to do, you're able to supply that
19 natural gas to them.

20 I think you can also be proud of your
21 international contribution, even helping the Chinese be
22 cleaner. Natural gas liquids like propane leaving out of
23 Marcus Hook. Across the country, we exported over 1.6
24 billion gallons of liquid petroleum gas, propane and butane
25 to India alone. And that is a fuel that burns 96 percent

1 cleaner than wood, or biomass, or coal.

2 So we're able to cut greenhouse gas emissions
3 through pipelines, through Pennsylvania energy production
4 not only through traditional means, but also by bringing
5 cleaner fuels around the world, which by the way, have
6 health impacts as well; healthy air for indoor
7 circumstances.

8 So there's a lot to be gained by Pennsylvania
9 energy production, Pennsylvania pipelines not only in the
10 state and the region, but across the world.

11 MAJORITY CHAIRMAN METCALFE: And thank you for
12 adding that in. We probably should have added the
13 environmental economic and health benefits --

14 MR. STODY: That's right.

15 MAJORITY CHAIRMAN METCALFE: -- of pipelines.

16 So thank you for joining us. Sorry for all the
17 interruptions that you had to put up with, but you did a
18 good job with dealing with it and appreciate you staying on
19 track with your excellent testimony today.

20 MR. STODY: Thank you.

21 MAJORITY CHAIRMAN METCALFE: Have a great day,
22 sir.

23 Our next testifier will be Mr. Keith Coyle,
24 Esquire with Babst & Calland. He's the Chair of the
25 Marcellus Shale Coalition Pipeline Safety Workgroup. Thank

1 you for being here today, sir. Before you sit down, if I
2 could get you to be sworn in for our meeting.

3

4 (Oath administered.)

5

6 MAJORITY CHAIRMAN METCALFE: Thank you, sir. And
7 you can begin when you're ready. Hopefully, we'll have
8 fewer interruptions for your testimony.

9 MR. COYLE: I tried to practice as best as I
10 could, so we'll see if that works.

11 Chairman Metcalfe, Chairman Vitali, and other
12 Members of the Committee, thank you for inviting me here
13 today to share my thoughts on the environmental and
14 economic benefits of pipelines.

15 My name is Keith Coyle and I am testifying on
16 behalf of the Marcellus Shale Coalition or MSC, one of the
17 region's most important advocacy groups for the oil and gas
18 industry.

19 My primary involvement with the MSC is as Chair
20 of the Pipeline Safety Workgroup, a position that I have
21 held for the past several years.

22 I am also a shareholder in the Washington, D.C.
23 office of Babst Calland, a Pittsburgh, Pennsylvania-based
24 law firm that represents various clients in the energy
25 industry.

1 As a member of Babst Calland's Transportation
2 Safety Group, I focus primarily on matters involving
3 pipeline safety and the transportation of hazardous
4 materials.

5

6 (Disturbance in Hearing Room.)

7

8 MAJORITY CHAIRMAN METCALFE: We'll just suspend
9 with your --

10 MR. COYLE: Sure.

11 MAJORITY CHAIRMAN METCALFE: -- testimony for a
12 moment, sir, while we have the protestor exit from the
13 rear. And she was less disruptive than the former ones
14 which we appreciate.

15 All right. We'll start again until the next one.

16 MR. COYLE: Thank you. And before joining Babst
17 Calland, I served as an attorney advisor for the Pipeline
18 and Hazardous Materials Safety Administration or PHMSA.

19

20 (Disturbance in Hearing Room.)

21

22 MAJORITY CHAIRMAN METCALFE: We'll just suspend
23 again, sir, so the protestor that just jumped up can be
24 escorted out of the room.

25 It's typical of the Lawless Left position that

1 they think if they can't get their way through the ballot
2 box, then they'll attempt to get it by force. We're seeing
3 that across the streets of America with buildings burning
4 and other things that have happened to our law enforcement
5 across the country by people attacking them and now they
6 come and they attack the seat of our constitutional
7 republic by trying to interrupt a duly called hearing to
8 receive information that will be important in our making
9 policy for the State of Pennsylvania.

10 You can begin when you're ready again, sir.

11 MR. COYLE: Thank you.

12 I previously served as an attorney advisor for
13 the Pipeline and Hazardous Materials Safety Administration
14 or PHMSA, the federal agency that administers the nation's
15 pipeline safety program.

16 I also served as a member of Governor Wolf's
17 Pipeline Infrastructure Task Force, participating on the
18 Pipeline Safety, and Integrity Workgroup.

19 Pipelines have been transporting energy products
20 in the United States since the 19th Century.

21 In the 1820's, the nation's first gas pipeline
22 system was built in Fredonia, New York, transporting gas a
23 short distance from a shallow well to local customers.

24 In the 1860's, shortly after the country's first
25 oil well was drilled in Titusville, Pennsylvania, pipelines

1 began to appear in the oil-producing regions of the
2 Commonwealth, replacing wooden barrels and horse drawn
3 wagons to provide a more efficient and effective means of
4 transportation.

5 By the late 1970's, the nation's first long haul
6 pipeline, a 109 mile Tidewater pipeline was built to
7 transport oil from Quarryville to Williamsport,
8 Pennsylvania.

9 As a result of technological advances in the
10 early 20th Century, including improvements in steelmaking
11 and pipe manufacturing, a growing network of cross-country
12 pipeline started to emerge.

13 Two of the most important pipelines of the era,
14 the Big Inch and Little Inch were built at the height of
15 World War II after German submarine attacks threatened the
16 existing maritime transportation network providing secure
17 means of delivering petroleum from the East Texas oil
18 fields to refineries in the Mid-Atlantic Region, and
19 eventually to the planes, tanks, and other machinery that
20 helped to secure the Allied Victory.

21 In the decades following World War II, the
22 nation's population and pipeline network continued to
23 expand with the total gas pipeline mileage increasing to
24 about 800,000 miles in the late 1960's and surpassing 1
25 million miles by 1980.

1 Today, the U.S. Department of Transportation
2 reports that there are more than 2.7 million miles of
3 pipeline in the United States transporting energy products
4 every day. Current and projected trends in energy use
5 indicate that pipelines will play a critical role in the
6 transportation sector for years to come.

7 According to the U.S. Energy Information
8 Administration, natural gas and petroleum accounted for
9 more than two-thirds of the country's primary energy
10 production and consumption in 2020.

11 Natural gas was the leading energy source for the
12 industrial and electric power sectors and the second
13 leading energy source for the residential and commercial
14 sectors.

15 Petroleum was the dominant energy source for the
16 transportation sector, accounting for approximately 90
17 percent of total use.

18 While renewable energy is expected to take a
19 larger role in the future, the latest studies suggest that
20 natural gas and petroleum will account for a significant
21 portion of the nation's energy production and consumption
22 for decades.

23 As the Members of this Committee know,
24 Pennsylvania is one of our most important energy states.
25 The Commonwealth produces more natural gas than any state

1 other than Texas and natural gas serves as the primary
2 source of heating fuel for about half of all households.
3 Pennsylvania which contains more underground natural gas
4 storage sites than any other state, performs an essential
5 function in meeting seasonal changes in energy demand.

6 The Commonwealth is the third largest supplier of
7 energy to other states, trailing only Wyoming and Texas and
8 is well positioned to influence energy policy in the years
9 ahead; thanks in large part of the abundant natural gas and
10 petroleum resources located in the Marcellus and Utica
11 Shale.

12 Pipelines are the most widely mean -- used means
13 of transporting natural gas and petroleum. Nearly all of
14 the nation's natural gas is transported by pipeline,
15 delivering more than 28 trillion cubic feet of natural gas
16 to nearly 77 million customers in 2019. Pipelines
17 transport most, but not all of the nation's crude oil and
18 petroleum products.

19 According to the latest report from the Bureau of
20 Transportation Statistics, pipelines are also the safest
21 means of transporting energy products causing far fewer
22 fatalities and injuries than other modes of transportation.

23 More than 38,000 transportation related
24 fatalities occurred in the United States in 2019. And
25 about 95 percent of those fatalities or slightly more than

1 36,000 involved highway motor vehicles. Only 12 fatalities
2 involved pipelines. More than 2.7 million transportation
3 related injuries occurred in 2018. And about 99 percent of
4 those injuries involved highway motor vehicles. Only 81 in-
5 juries involved pipelines.

6 At a time when the public is being asked to place
7 greater emphasis on data in making health environmental and
8 safety decisions, the case for pipelines is clear.
9 Pipelines save lives and reduce the risk of injury,
10 particularly when compared to other modes of
11 transportation.

12 Despite the overwhelming benefits of pipelines,
13 some governmental authorities are trying to ban the
14 installation of new pipeline infrastructure or are refusing
15 to issue the permits or authorizations that are necessary
16 for projects to proceed in a timely basis.

17 Litigation is also being used to block the
18 construction of new pipelines or shut down the operation of
19 existing pipelines. These efforts are likely to create an
20 energy transportation network that is far less safe,
21 effective, and environmentally sound, especially in the
22 short-term.

23 If adequate pipeline capacity is not available,
24 other modes of transportation will be used to deliver
25 energy products creating greater risks to public safety and

1 the environment. There is also a greater likelihood that
2 the energy needs of customers will go unmet, particularly
3 during times of peak demand.

4 As the tragic events that occurred in Texas
5 earlier this year, and the more recent outage of the
6 Colonial Pipeline demonstrate, the most vulnerable members
7 of society are often those who suffer the greatest harm if
8 energy cannot be safely and reliably delivered to end
9 users.

10 On behalf of the MSC, I would like to thank the
11 Committee for inviting me here today to testify about the
12 environmental and economic benefits of pipelines. I look
13 forward to hearing your concerns and addressing your
14 questions.

15 MAJORITY CHAIRMAN METCALFE: Thank you, sir, for
16 your testimony today.

17 If I could just ask, somebody in this side of the
18 room, I think has an alert going on their phone that's very
19 disruptive. If you could please make sure that your cell
20 phones are silent so we can avoid any further disruptions
21 beyond the protestors this morning, I would appreciate it.

22 Representative Vitali for the first question.

23 DEMOCRATIC CHAIRMAN VITALI: Thank you, Mr.
24 Chairman.

25 MAJORITY CHAIRMAN METCALFE: Emphasis on first.

1 DEMOCRATIC CHAIRMAN VITALI: And thank you for
2 your testimony today.

3 And I don't dispute the safety of pipelines vs.
4 truck transport of natural gas and other liquids. And I
5 don't dispute the current need for natural gas and other
6 fossil based liquid products.

7 And I acknowledge if you don't take into account
8 methane leakage, that natural gas produces less CO2 than
9 the burning of coal. But the reality is that natural gas
10 burning does produce significant amounts of greenhouse gas,
11 perhaps half of coal, but significant. And we simply will
12 not be able to reach carbon neutrality and keep this world
13 at a 1.5 degree Celsius rise if we continue to build
14 natural gas infrastructure.

15 So, you know, my question and concern involves
16 moving forward creating new pipelines, new fossil fuel
17 infrastructure because I would guess that a new pipeline
18 has a shelf life of maybe at least 30 perhaps, you know,
19 decades longer.

20 So how do you square our need to reach carbon
21 neutrality with the continued building of pipelines
22 specifically and fossil fuel infrastructure generally? And
23 has the Marcellus Coalition given any thought to
24 diversifying your energy portfolio in a more climate
25 friendly way?

1 MR. COYLE: So, thanks for the question. I'll
2 try to focus on the pipeline side of it because that's kind
3 of my sweet spot.

4 You know, I guess my advice would be that we
5 can't solve a climate crisis by creating an energy crisis.
6 So we need pipelines to move products to market. Pipelines
7 age like all other infrastructures. They need to be
8 repaired and replaced. So we need to make sure that the
9 system is constantly being re-evaluated and renewed.

10 And I do think there is going to be a demand for
11 new pipeline infrastructure. I think if you look at the
12 data and statistics, it's pretty clear that we're going to
13 be relying on natural gas and petroleum to some degree for
14 years to come. And I think as long as the country is
15 making that choice, the solution that I'm giving you is
16 pipelines because there is no other way to do this safely
17 and to move product in bulk.

18 So, you know, I guess from my perspective, as
19 long as we're relying on fossil fuels to produce power, we
20 need pipelines to help make that decision a reality because
21 the other alternatives are they're less safe for people,
22 for the environment, and for the country.

23 MAJORITY CHAIRMAN METCALFE: Any other Members
24 with a question?

25 Representative Isaacson?

1 REPRESENTATIVE ISAACSON: Thank you.

2 My question actually came from your discussion
3 with Chairman Vitali.

4 We've been having a discussion here on the ERE
5 Committee this session regarding carbon capture
6 sequestration. Whether I agree or not with the perpetual
7 use of fossil fuels, you know, certainly I understand that
8 there is this new technology that's being explored.

9 Is the Marcellus Shale Coalition part of that
10 exploration and if so is your dedication -- because
11 apparently, the blue green we have been talking about his
12 hydrogen which would need their own pipelines. Are you or
13 your coalition having these discussions that we're having
14 here?

15 MR. COYLE: I can't speak directly for the MSC on
16 where they stand on carbon capture and sequestration. I
17 can tell you from, you know, my understanding at the
18 federal level and at the state level, that pipelines have
19 to be a part of that solution if it's going to work. If
20 we're going to deploy the technology at any kind of scale,
21 we're going to need pipelines to move carbon the same way
22 that we use pipelines to move energy products.

23 And I think again, you know, I just would counsel
24 against decisions that are short-sighted. I don't think
25 that blocking new pipeline infrastructure or singling out

1 pipelines as a significant part of this problem, I just --
2 I don't believe that. I think pipelines are part of the
3 solution that's making all of us safer.

4 I understand that the country's in transition to
5 new energy sources. I hope pipelines continue to play a
6 part in making energy safely and reliably available.

7 MAJORITY CHAIRMAN METCALFE: Thank you.

8 Representative Stambaugh?

9 REPRESENTATIVE STAMBAUGH: Yes. You might be
10 able to answer this based on your prior experience with
11 PHMSA, but what is the average age of pipeline
12 infrastructure in Pennsylvania? And I would focus more on
13 the gas side than the oil side. I assume the oil lines,
14 some of them are probably -- been around for a long time.
15 But the safety question always has been with the gas
16 pipelines, so --

17 MR. COYLE: Yeah. So I'm not going to give you
18 an off-the-cuff on that one because that's a detailed
19 question.

20 So I would say, you know, the age in the nation's
21 pipeline system varies. You will have older pipelines,
22 older gas distribution systems in some of the larger urban
23 areas.

24 There has been push among the industry and among
25 the regulators to have some of the materials that are used

1 in those older systems replaced. We have accelerated
2 infrastructure replacement programs that may states have in
3 place.

4 There's an initiative, I believe, as part of the
5 new infrastructure package at the federal level to get some
6 more money over to PHMSA to help with the replacement of
7 those aged infrastructure systems.

8 But, you know, the age of the pipeline system
9 its, you know, it's getting newer over time, but I wouldn't
10 be surprised if there are aren't, you know, pipe out there
11 from, you know, the late 1800's, maybe. Not a lot of it.
12 If you look at the data, like the bulk of the
13 transportation network went in 40's, 50's, 60's, you know.
14 And there's been some, you know, replacements and
15 revitalization over time.

16 And now age isn't necessarily a direct indicator
17 of a safety risk. It's one of the factors that we
18 consider. Things like materials, operating pressure,
19 location to the public, things like that, but it's one of
20 the issues.

21 And if you're concerned about reducing methane
22 emissions, one of the best ways, quite frankly, that you
23 can do that is to replace some of these older systems that
24 are more prone to leak. And there's been an initiative at
25 the federal level to try to get resources out to companies

1 that want to do that.

2 MAJORITY CHAIRMAN METCALFE: Thank you,
3 Representative Stambaugh.

4 Are you familiar with the 2013 rail disaster in
5 Canada's Lac-Megantic?

6 MR. COYLE: Yes, I am. And I think you got the
7 name right there.

8 MAJORITY CHAIRMAN METCALFE: Oh, not because I
9 tried real hard.

10

11 (Laughter.)

12

13 So my understanding of that tragedy that occurred
14 was a town was leveled as a result of a railroad car
15 becoming mobile during the night and going down into the
16 train -- into the town and exploding or a series of cars,
17 I'm not sure how many. But that was with something on the
18 rail. And when we're talking about this and I was talking
19 with staff about the pipeline, how much safer it is. I
20 mean, I've never heard of a pipeline exploding and leveling
21 a town. I know we had a home that was leveled in my
22 township, but there was some thought that it was somebody
23 that actually had done that to the homeowner and had done
24 something to their gas lines coming into their home.

25 MR. COYLE: So I think the rail network can serve

1 on a limited basis as a means of moving product safely.
2 There are places where you need to use rail like at ports
3 or terminals or at chemical facilities.

4 I think the concern that Lac-Megantic and some of
5 the other incidents that have happened in the rail network
6 would demonstrate as do we want to be in the business of
7 moving large quantities of these things by rail as a
8 substitute to pipelines? I think the answer to that is no.
9 I think you can use rail safely in limited circumstances.
10 You know, there are members that use it safely and
11 effectively.

12 The Department of Transportation has issued some
13 new rules that deal with rail safety, dealing with design,
14 construction of the tank cars making them safer. They've
15 done some studies as a result of Lac-Megantic and some
16 other things. But, you know, I have friends in the rail
17 industry. I'm not here to say they can't do it safely,
18 they can. I'm just here to tell you if you want to do it
19 in bulk and you want to move it safely than the solution
20 I'm offering is the one that you should take.

21 MAJORITY CHAIRMAN METCALFE: Thank you. Thanks
22 for testifying today. Appreciate it.

23 MR. COYLE: Thank you.

24 MAJORITY CHAIRMAN METCALFE: And thank you for
25 putting up with, I think just one protestor for you, so --

1 MR. COYLE: They were nice to me.

2 MAJORITY CHAIRMAN METCALFE: -- we'll see if
3 there's one for the next testifier. Hopefully, they don't
4 disappoint the viewing audience and not have anymore
5 protestors left for the remaining of the hearing. I think
6 some people probably found that entertaining. Not
7 something you normally have at a hearing.

8 Our next testifier is Mr. Paul Hartman, Senior
9 Policy Advisor of the American Petroleum Institute. Thank
10 you, sir, for joining us.

11 MR. HARTMAN: Good morning.

12 MAJORITY CHAIRMAN METCALFE: And I will swear you
13 in. Thank you for remaining standing without my prompt.

14
15 (Oath administered.)

16
17 MAJORITY CHAIRMAN METCALFE: Thank you, sir. And
18 sir, once you're situated there, you can begin when you're
19 ready. Thank you, again.

20 MR. HARTMAN: Good morning, Chairman Metcalfe,
21 Chairman Vitali, and Members of the Committee.

22 I'm Paul Hartman. I'm Senior Policy Advisor at
23 the American Petroleum Institute. I appreciate the
24 opportunity to testify before the Committee today on the
25 environmental and economic benefits of pipelines.

1 API is a national trade association representing
2 nearly 600 member companies that operate throughout the
3 United States and many operate here in Pennsylvania.

4 Our members are involved of all aspects of the
5 oil and natural gas industry, including exploration,
6 development, production, transportation, storage, refining,
7 and marketing.

8 Thanks in large part to Pennsylvania, now the
9 second largest natural gas producer in the nation and the
10 innovation and vitality of the oil and natural gas
11 industry, the United States is the global leader in both
12 energy production and emissions reductions.

13 Our country has witnessed an unprecedented energy
14 renaissance over the past two decades. Transitioning from
15 an era of energy scarcity and dependence to one of energy
16 abundance and security. In 2005, the U.S. was producing 5
17 million barrels per day of oil. In 2020, the U.S. has more
18 than doubled that number and produced over 11 million
19 barrels a day despite all of last year's challenges.

20 A similar transformation has occurred in the
21 natural gas production which has grown by over 90 percent
22 since 2005. Increased domestic production also decreased
23 U.S. reliance on foreign oil imports which have decreased
24 by 40 percent since 2005 as well. This domestic resurgence
25 has created American jobs, bolstered U.S. manufacturing,

1 strengthened our economy, and enhanced our national
2 security interests.

3 Despite the COVID-19 pandemic, economic downturn
4 presented a myriad of challenges over the past year and a
5 half. The natural gas industry has continued to power
6 Pennsylvania's economy and enhance our every day lives.
7 And for all of us that don't live in Pennsylvania, we thank
8 you for the work that's been done here.

9 Furthermore, production in Pennsylvania has
10 helped U.S. families save on their energy bills. This
11 savings has come at a critical time when costs for other
12 critical needs have increased. For instance, between 2008
13 and 2019, U.S. healthcare spending grew by 75 percent. And
14 education spending increased by 38 percent. However,
15 household energy spending declined by 10 percent.

16 As Pennsylvanians and Americans alike look to
17 recover from the pandemic and continue to create workforce
18 opportunities, we must acknowledge that pipelines mean
19 jobs.

20 According to two studies released in July by the
21 North America Building Trades Unions, union and non-union
22 workers alike say natural gas and oil projects provide
23 wages and benefits that make the American dream a reality.

24 Trades people overwhelmingly report that they
25 consider projects in natural gas and oil to have higher

1 wages, better benefits, and greater career opportunities
2 than any other energy sector. Better pay and career
3 stability translate into improved quality of life for
4 workers, their families, and the communities in which they
5 live.

6 As API Pennsylvania, a division of API, testified
7 before this Committee back in February, natural gas has
8 supplied a record high 40 percent of the U.S. electricity
9 generation in 2020 per the U.S. EIA, a subagency of the
10 U.S. Department of Energy and drove U.S. carbon emissions
11 from power generation to the lowest level in 30 years.

12 Here in Pennsylvania, greenhouse gas emissions
13 from electricity generation fell between 2005 and 2018 by
14 40 percent based on the 2020 EPA greenhouse gas emission
15 inventory. This was driven in large part by transitioning
16 energy production to clean burning natural gas, much of
17 which came from Pennsylvania's Marcellus Shale and other
18 similar shale plays, as well as, advancements in energy
19 efficiency. Pipelines make this possible. Pipelines make
20 this possible by enabling us to bring the critical energy
21 produced in this state to electric utilities, factories,
22 homes, hospitals, and other critical sectors for use.

23 API believes in an All-of-the-Above approach must
24 be taken to meet U.S. energy demand. Undoubtedly, wind,
25 solar, and other renewables will be a critical component of

1 our nature's energy portfolio in the future. Our industry
2 recognizes this and continues to invest heavily in this
3 area. But we also recognize that oil and natural gas will
4 play a significant role in our nation's energy equation as
5 well. In fact, VIA has predicted that natural gas and oil
6 will continue to provide 70 percent of the U.S. energy for
7 the next 30 years.

8 So for as long as natural gas and oil are
9 providing that share of our energy mix, we will need to
10 continue to transport those products from Pennsylvania and
11 other producing regions over long distances to the markets
12 that need it and benefit from it.

13 Infrastructure, including refined products, oil
14 and natural gas pipelines have played a critical role in
15 our energy renaissance. New areas of production, including
16 the Marcellus (indiscernible) and Utica formations demand
17 it's safe and efficient modes of transportation to carry
18 these products to refineries and processing plants,
19 manufacturers, and end users such as gas stations and
20 airports.

21 Pipelines are the safest and most environmentally
22 friendly way of reliably delivering energy that Americans
23 use every day.

24 Pipelines reduce the utilization of more carbon
25 intensive modes of transportation making them the most

1 environmentally friendly way to move energy resources from
2 producing regions like Pennsylvania to consumers.

3 Pipelines reduce congestion on the highways, on
4 railroads, and other shipping networks which contribute to
5 greenhouse gas emission reductions in the transportation
6 sector.

7 Pipelines are essential to enabling U.S. L&G
8 exports which drive environmental progress in countries
9 around the world by enabling them like the United States to
10 transition to natural gas power generation.

11 While pipelines are the safest means to transport
12 oil and natural gas, the industry is committed to
13 continually growing and advancing safety. And indeed,
14 pipelines are getting safer. Using the latest
15 technologies, pipeline operators can detect leaks before
16 they occur, protecting our communities and environment.
17 Pipeline safety improved last year and over the last five
18 years, even with the challenges that the pandemic provided.

19 According to the 2020 Liquid Pipeline Safety
20 Excellence Performance Report that was pulled together by
21 API and my colleagues over at AOPL, performance improved
22 across nearly every metric.

23 Industry's commitment to safe operations is
24 evident by the strong safety record of the pipeline system
25 that delivers oil, natural gas, and petroleum products.

1 Protecting the public and the environment is the top
2 priority for pipeline operators and a central component to
3 pipeline design, construction, and maintenance.

4 Ultimately, the development of a comprehensive
5 pipeline safety system is a product of shared commitment
6 from key entities in the stakeholder community.

7 The first element involves the federal and state
8 governments which provide the safety regulations for the
9 industry.

10 Next is the contribution of the industry trade
11 associations that develop the industry guidance,
12 recommendations, and best practices.

13 The third key entity is the individual company
14 which makes the commitment to develop and implement an
15 effective safety program.

16 While each individual function is critically
17 important to advancing safety in the pipeline industry, the
18 true effectiveness of a pipeline safety program exists
19 because these three functions compliment one another
20 through the coordination and collaboration of all three
21 entities.

22 In 2020, total liquid pipeline incidents
23 decreased by 13 percent and our down 21 percent over the
24 last five years, reflecting the industry's commitment to
25 safety and goal of zero incidents.

1 Incidents impacting people and the environment, a
2 key safety metric developed in collaboration with federal
3 regulators and pipeline operators are down 38 percent over
4 the last five years. We also see downward trends in
5 natural gas transmission incidents, as well as, a 26
6 percent decline over the last five years.

7 Similarly, significant incidents are down 29
8 percent over the last five years. These safety
9 improvements have come as our nation has built more
10 infrastructure to transport energy safely and efficiently
11 in the market.

12 Since 2010, the pipeline industry has built more
13 than 70,000 miles of oil refined products and natural gas
14 pipelines, adding 137 billion cubic feet of natural gas and
15 over 38 billion liquid barrels a day in capacity. All
16 this, with the highest commitment to safety. Even with its
17 positive pipeline safety performance record, our member
18 companies are consistently working to improve pipeline
19 safety even further.

20 Despite the industry's strong safety record, we
21 are committed to continuously developing new ways to
22 prevent damage improving pipeline safety and ensuring that
23 we are prepared to respond in the unlikely event of an
24 incident. For pipeline operators, this means being
25 proactive and constructing robust prevention, mitigation,

1 and response strategies and a layered approach to ensure
2 pipeline safety.

3 And the industry is being proactive. This year,
4 the pipeline companies who participate in the environmental
5 partnership, a growing coalition of more than 90 oil and
6 gas, natural gas companies that are committed to improving
7 the industry's environmental performance will report their
8 first data on efforts to implement technically feasible,
9 commercially proven solutions to reduce emissions from
10 their operations.

11 We look forward to sharing information on these
12 company's progress when the 2021 TEP Annual Report is
13 released later this year.

14 Overall, pipelines are an essential component of
15 our energy infrastructure. Pipelines contribute --

16
17 (Disturbance in Hearing Room.)

18
19 MAJORITY CHAIRMAN METCALFE: I thought it might
20 be another protester. It seems like most of the protestors
21 this morning are masked, so we probably should have just
22 identified most of the mask people in the hearing today as
23 potential protestors.

24
25 (Disturbance in Hearing Room.)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

MAJORITY CHAIRMAN METCALFE: Thank you for
suspending for the moment there, sir.

MR. HARTMAN: No problem.

MAJORITY CHAIRMAN METCALFE: At least you weren't
disappointed you have to go back and tell your colleagues

--

(Laughter.)

MAJORITY CHAIRMAN METCALFE: -- that you were
interrupted by a protestor, too. But most of the
protestors started early because I think they really didn't
want to work that long today for whoever was paying them,
most likely. So they kind of get their hours in early and
then scoot out of here, so that they can go to lunch and
not be disrupted from their day's activities of being part
of the Lawless Left.

Thank you, sir. You can begin when you're ready.

MR. HARTMAN: Great. Thank you.

Overall, pipelines are an essential component of
our energy infrastructure. Pipelines contribute
significantly to federal, state, and local economies by
providing affordable energy, supporting jobs, and
generating tax revenue.

Constructing new oil and natural gas pipelines

1 supports high paying construction jobs. And in the current
2 economy, it is vital to note that canceling of pipeline
3 projects means canceling jobs. Jobs that cannot be easily
4 replaced.

5 Pipelines are the cornerstone to progress, to
6 jobs, to economic growth and natural security.

7 Thank you for the opportunity to address the
8 Committee today and I look forward to answering any
9 questions you may have.

10 MAJORITY CHAIRMAN METCALFE: Thank you very much
11 for your testimony today.

12 I like the closing there with the canceling with
13 current cancel culture that we're seeing rabid across the
14 country with trying to cancel history and cancel everything
15 that something might disagree with instead of allowing
16 diverse opinions to be within the public square, they
17 attempt to cancel everything.

18 And we've seen even the Biden Administration
19 canceling a major pipeline while they're calling for OPEC
20 to increase production which is just unbelievable that they
21 would want to go back to dependence on the Middle East
22 where we've been attacked by so many terrorists from the
23 Middle East.

24 But thank you for your testimony.

25 MR. HARTMAN: My pleasure.

1 MAJORITY CHAIRMAN METCALFE: Representative
2 Vitali will be the first question.

3 Representative Vitali?

4 DEMOCRATIC CHAIRMAN VITALI: Thank you, Mr.
5 Chairman.

6 And thank you for your testimony.

7 Natural gas, its primary component is methane and
8 as you know, methane is a powerful greenhouse gas, second
9 only to CO2. And methane has the capacity to leak out of
10 the whole pipeline system anywhere from the wellhead
11 through the compressor stations, the trunk lines,
12 distribution lines, up to the burner tip.

13 The -- methane regulations were first proposed by
14 Governor Wolf in 2016. And they have been agonizingly
15 slowly working their way through the regulatory process.
16 Actually, they are not methane regulations per se,
17 regrettably, but methane is being indirectly regulated
18 through VOC's.

19 Now, these regulations are expected to be
20 considered by the Environmental Quality Board, perhaps as
21 early as December. And essentially, they are regulations
22 which would require state of the art equipment with regard
23 to pipelines and the related apparatus, as well as, more
24 frequent testing.

25 So my question to you is does API support the

1 current VOC regulations currently working their way through
2 the regulatory process?

3 MR. HARTMAN: I apologize that I'm not familiar
4 with the specifics of the proposal here in the
5 Commonwealth. And I can ask our state folks if they can
6 follow up with you on that.

7 But more generally on methane as a whole, I think
8 that the environmental partnership report that I referenced
9 in my testimony will be very helpful to you all here, as
10 well as, regulators on the federal level. And taking a
11 look at some of the operational changes that our member
12 companies have taken and the data that's produced in terms
13 of how that has reduced methane leakage or provided
14 opportunities for increased detection.

15 So I hope that report will be helpful for you in
16 your deliberations as you move forward here in the
17 Commonwealth.

18 MAJORITY CHAIRMAN METCALFE: Representative Rapp?

19 REPRESENTATIVE RAPP: Thank you, Mr. Chairman.

20 Thank you, sir, for your testimony today. Very
21 informative.

22 Since Chairman Vitali brought up the regulations,
23 what are some of the regulations that installers currently
24 have to comply with? And what are some of the regulations
25 that you have to comply with even connecting to a

1 consumer's home for heating and cooking and whatever, you
2 know, that an individual consumer would be using natural
3 gas for because certainly, a lot of our constituents use
4 natural gas for heating and cooking.

5 And so what are some of the regulations, if you
6 could just say and how multiple regulations do you have to
7 comply with currently before we're even looking at new
8 regulations?

9 MR. HARTMAN: Sure. So as my colleague from AOPL
10 indicated earlier, the trade association world for oil and
11 gas industry is very diversified. So the transmission --
12 or the distribution side of natural gas networks falls with
13 -- underneath the American Gas Association that it has most
14 of the utilities as their members. So we're not as
15 familiar with those specific regulations.

16 But I can tell you from the pipeline side, both
17 the federal, state, and even in some instances local
18 requirements, have us go through both a myriad of
19 permitting processes, certification, identifying necessity
20 for the pipeline, certificate of needs through FERC.

21 And then we have through PHMSA, we are regulated
22 in terms of the safety aspects. PHMSA just passed a re-
23 authorization of its safety program last year which
24 outlined a series of new regulations that were to be
25 implemented moving forward. And PHMSA has also gone

1 through and finalized a number of their outstanding
2 regulations from the last Pipeline Safety Act over the last
3 year.

4 That -- those regulations deal with everything
5 from leak detection, integrity management, SMS systems.
6 Basically, every aspect of the pipeline is regulated at
7 both the federal level and the state level in some regard.
8 And that is a complex system for our companies to navigate
9 sometimes, but it is something that we are committed to
10 helping shape those regulations so that regulators and
11 legislators are achieving the objectives that they're
12 seeking to achieve. And it is the industry that is best
13 positioned to help craft those regulations in a fashion
14 that will meet those objections.

15 The other aspect from the API standpoint is we
16 are an international standard setting organization. We
17 have developed over 650 standards from recommended
18 practices since 1924 that have helped guide our members in
19 their operations.

20 So beyond just the state and federal regulations
21 that they comply with, they also, many of them follow the
22 best practices identified through our recommended practices
23 or standards.

24 REPRESENTATIVE RAPP: Thank you, Mr. Hartman.

25 Thank you, Mr. Chairman.

1 MAJORITY CHAIRMAN METCALFE: Thank you,
2 Representative Rapp.

3 In your testimony a couple of times here at
4 least, just within a couple paragraphs, you referenced
5 pipelines are the safest and most environmentally friendly
6 way of reliably delivering the energy Americans use every
7 day. And then a couple paragraphs later, while pipelines
8 are the safest means to transport oil and natural gas.

9 I just wanted to bring that up again because I
10 think the exclamation mark needs to be on that and you
11 certainly thought so by mentioning it more than a couple of
12 times through your testimony.

13 And you mentioned also that when you talked about
14 as long as natural gas and oil are providing the share of
15 our energy mix. And a lot of times when people think about
16 pipelines, they're thinking about energy. I don't think
17 they're thinking as often about all the products that they
18 use in their daily life that come from the petroleum
19 industry.

20 Is your trade association involved in working
21 with those types of manufacturers? Are they part of your
22 trade association or are you -- what's your familiarity
23 with the reaches into everybody's daily life beyond energy
24 that the petroleum industry has?

25 MR. HARTMAN: Yeah. So we work with a broad base

1 of industries across the country. We deal with everything
2 from the agricultural committee -- community to the
3 manufacturer's, to the end users, to the, you know, the
4 utilities.

5 We are working continuously to make sure that our
6 products are delivered to them for their purposes in the
7 safest, quickest, and most efficient means possible.

8 We are committed to making sure that we are
9 innovative in the way that we deliver these products and
10 that we are taking a look at new opportunities.

11 So to the question earlier on carbon capture and
12 sequestration, carbon capture, underground storage, and
13 hydrogen, API had released its climate action framework
14 probably about two months ago now. And both of those are
15 significant components of our climate action framework.
16 We're happy to follow up with some additional information
17 on that.

18 But hydrogen is going to provide some additional
19 opportunities, but it's important to note that current
20 means of transporting hydrogen, consideration is to blend
21 within the current natural gas infrastructure system.

22 So we are beginning to take a look at what the
23 safety implications of that might be and what additional
24 capacity buildout will need to be developed to address the
25 emerging hydrogen market.

1 MAJORITY CHAIRMAN METCALFE: Thank you. Thanks
2 for joining us today.

3 MR. HARTMAN: My pleasure.

4 MAJORITY CHAIRMAN METCALFE: Appreciate your
5 testimony. Thanks for traveling to Pennsylvania for us.

6 MR. HARTMAN: My pleasure.

7 MAJORITY CHAIRMAN METCALFE: Have a good day and
8 a safe journey home.

9 MR. HARTMAN: Thank you.

10 MAJORITY CHAIRMAN METCALFE: Our next testifier
11 will be Mr. David Horn, LECET Construction Market Rep, Mid
12 Atlantic L-I-U-N-A also joined by Mr. David Butterworth,
13 Business Agent from Pipeliners Local 798.

14 MR. BUTTERWORTH: Do you want him to go first and
15 then I'll come up or --

16 MAJORITY CHAIRMAN METCALFE: Why don't you both
17 join us at the microphone if you would.

18 MR. HORN: We've got a tag team.

19 MAJORITY CHAIRMAN METCALFE: We've got two
20 microphones up there, you can --

21 MR. BUTTERWORTH: How you doing? It's been a
22 while?

23 MR. HORN: Yeah. How you been?

24 MR. BUTTERWORTH: Good.

25 MR. HORN: Good to see you.

1 MR. BUTTERWORTH: I grew my hair.

2 MR. HORN: Yeah, I noticed that. It looks good.

3 MAJORITY CHAIRMAN METCALFE: After you get done
4 with your own greetings, you can -- once I swear you in,
5 we'll move the mics over and you guys can sit where you
6 feel comfortable there.

7 MR. BUTTERWORTH: I'll just get in front of that
8 one.

9 MAJORITY CHAIRMAN METCALFE: All right. That
10 sounds good, sir. Thank you for remaining standing.

11

12 (Oath administered.)

13

14 MAJORITY CHAIRMAN METCALFE: Thank you both.

15 And we have Mr. Horn listed first on the agenda,
16 so we'll start with Mr. Horn's presentation and then --

17 MR. HORN: All right.

18 MAJORITY CHAIRMAN METCALFE: -- we'll go to Mr.
19 Butterworth and then we'll do Q&A afterwards, whatever time
20 remains. Thank you both.

21 MR. HORN: Thank you.

22 Good morning. Well, actually, good afternoon,
23 Chairman Metcalfe, Chairman Vitali, and Members of the
24 Environmental Resource and Energy Committee and thank you
25 for having me here today. I appreciate the opportunity to

1 discuss these issues with you on behalf of Pennsylvania's
2 labor tradesmen and woman.

3 LiUNA has always been a strong and outspoken
4 advocate for greater energy infrastructure investment and
5 our members build energy systems from natural gas
6 extraction to solar panels.

7 LiUNA members assist in the construction and
8 maintenance of power plants and substations digging the
9 trenches for lines and backfilling, road repair after line
10 installation and, of course, infrastructures such as oil
11 and gas pipelines.

12 The U.S. will continue to be dependent on a
13 variety of energy resources, including oil and natural gas.
14 And accordingly, LiUNA supports an all of the above energy
15 policy.

16 Oil and natural gas which supply 62 percent of
17 the energy today will provide much of the energy we need in
18 the decades to come and are important components of the
19 All-of-the-Above approach, becoming less reliant on oil
20 from hostile nations by developing North America's energy
21 resources improves our economy, creates jobs, and
22 strengthens our national security. And a balanced and
23 comprehensive energy policy must include the expansion of
24 our nation's pipeline infrastructure.

25 At LiUNA, we are training the next generation of

1 energy infrastructure workers to ensure that these projects
2 are both safe and reliable.

3 LiUNA and our partner employers have for decades,
4 met the workforce development needs of the construction
5 industry through a self-funded training infrastructure and
6 registered apprenticeship program.

7 LiUNA's labor and management training programs
8 invest millions of private sector dollars annually into
9 this proven workforce development system. Our state of the
10 art training is at no charge and accessible to
11 participating contractors, members, apprentice and pre-
12 apprentices across the United States and Canada through
13 over 70 affiliated training centers.

14 Continual lifelong career training opportunities
15 allows workers -- allow workers to upgrade employability
16 skills, move to leadership positions, upgrade safety
17 knowledge, and increase productivity all with the goal of
18 expanding career paths, living wages, and contractor
19 competitiveness.

20 Finally, we are training Pennsylvania residents
21 to do the work on the pipeline in other infrastructure
22 projects right here at home. LiUNA has hiring halls and
23 training centers in hundreds of U.S. cities and has been
24 helping local workers in underserved communities start
25 careers in construction for 116 years.

1 As cities and localities have increasingly
2 struggled with urban area unemployment, despite economic
3 growth and expanded job opportunities, LiUNA has ramped up
4 efforts to train local workers and has also joined with
5 social justice allies to push the progressive legislation
6 to create good jobs for local residents here and in cities
7 around the country.

8 Our training programs help to ensure that
9 infrastructure projects like vital oil and natural gas
10 pipelines are constructed beyond the very safest standards.
11 And as we live and raise families in our communities here
12 in Pennsylvania, we want to ensure that these projects are
13 safe. That these projects protect our environment. And
14 that these projects provide good paying family sustaining
15 jobs for generations.

16 Growth in the industry can create steady,
17 reliable careers for millions of men and women in our
18 country and in the state. More specifically, pipeline work
19 is a lifeline to good union jobs with family supporting pay
20 resulting in millions of dollars being reinvested back into
21 our communities and local businesses. We work on these
22 projects. We have seen firsthand the economic benefits and
23 we understand consideration for safety that is built into
24 them.

25 Since 2010, pipelines have resulted in over 25

1 million man hours for our members and for the pipeline
2 contractors that we represent. Depending on the size of
3 the line, construction can be a couple months, up to a
4 year. Many say that these jobs are temporary, but all
5 construction jobs are temporary. It's a string of these
6 temporary construction jobs that help support our members
7 and their families with good, sustaining wages.

8 To imply that it's either the environment or
9 natural gas pipelines is wrong on many levels. With the
10 technology and the engineering advances, training and
11 quality materials used today, we are fortunate. We do not
12 have to make the choice between providing safe, clean,
13 affordable and locally produced energy while protecting the
14 environment, we can do both.

15 Thanks again for having me and I'm willing to
16 take any questions that you guys might have.

17 MAJORITY CHAIRMAN METCALFE: Thank you, sir.
18 We'll hear from Mr. Butterworth and then we'll --

19 MR. HORN: Sure.

20 MAJORITY CHAIRMAN METCALFE: -- have our Q&A time
21 together.

22 MR. BUTTERWORTH: First of all, thank you for
23 letting me speak today.

24 MAJORITY CHAIRMAN METCALFE: And sir, if you
25 could pull the microphone toward you, make sure the green

1 light's on there.

2 MR. BUTTERWORTH: Can you hear me now?

3 MAJORITY CHAIRMAN METCALFE: Is the green light
4 on?

5 MR. BUTTERWORTH: Can you hear me now?

6 MAJORITY CHAIRMAN METCALFE: There you go. We
7 can hear you. Thank you, sir.

8 MR. BUTTERWORTH: Thank you for letting me speak
9 today and I'm going to get started.

10 My name is David Butterworth. I'm from Clinton
11 in West Virginia and I'm employed as a business agent for
12 Pipeliners Local Union 798.

13 I represent approximately 7,153 welders, helpers,
14 and journeyman who build pipelines in the United States.
15 My jurisdiction extends from Virginia to Maine and there
16 are 984 members who live throughout the Northeast. Most of
17 our Northeast membership lives in Pennsylvania and West
18 Virginia, with those numbers being 350 and 469,
19 respectively.

20 I worked in the field from 1998 until 2015 and
21 was hired on to my current position in January 2016.

22 I came here today to speak about the economic and
23 environmental benefits of pipelines and to give the
24 Committee perspective from someone who installed and welded
25 on pipelines and pipeline facilities for 17 years. I

1 primarily worked in the Northeast and I would say I worked
2 in Pennsylvania more than any other state during my career.

3 I personally saw the economic boom that the oil
4 and gas industry brought to the rural towns of Northeast
5 and Western Pennsylvania. Hotels, restaurants,
6 campgrounds, laundromats, and convenience stores are just a
7 few of the local businesses that I saw thrive in towns such
8 as Wyalusing, Wysox, and Waynesburg.

9 The workers in the drilling and pipeline sectors
10 make a good wage and they spend their money locally while
11 they are living in these communities.

12 Many pipeline opponents contend that these are
13 temporary jobs and that they are of not -- and they are not
14 of any economic benefit. I dispute that because I worked
15 for 17 years in the pipeline industry and was steadily
16 employed the whole time.

17 The pipeline foes also say the towns will see an
18 economic downturn after the pipeline workers leave. An
19 example that refutes that argument is Washington, PA. I
20 saw the town before the Marcellus boom that began around
21 2009 and I have watched it grow into the bustling area it
22 is today. The same can be said for many other Pennsylvania
23 towns that continue to prosper due to the economic shot in
24 the arm they have received from the gas industry.

25 The environmental benefits of pipelines are well

1 documented. According to the Energy Information
2 Administration, during the period of '05 to '17, U.S.
3 natural gas production increased 51 percent and CO2
4 emissions decreased 14 percent.

5 According to the United States Department of
6 Transportation, pipelines are the safest and most efficient
7 way to move oil and gas. With pipeline incidents being
8 significantly less than that of trains and trucks.

9 The opponents are quick to point out that
10 pipeline accidents happen. While I admit that this is a
11 reality, I also want to point out that the accidents are
12 due to an aging pipeline system and the old lines weren't
13 built to today's stringent standards.

14 Local 798 currently has 40 open free jobs in
15 Northeast and most of these jobs are in the maintenance
16 sector. Continued maintenance and inspection are essential
17 to the safety of the public and Local 798 members are
18 currently working all over the country to make sure that
19 these lines are properly maintained and accidents will be
20 avoided in the future.

21 Local 798's pipeline welders follow some of the
22 strictest guidelines in the entire construction industry.
23 Every time a welder goes to a job, they take a welding test
24 before they are employed on the project. This involves
25 making a weld that is cut apart and checked for

1 deficiencies. If any imperfections are discovered, the
2 welder is not allowed to work on the project. If the
3 member is successful with the test, every weld they make on
4 the job is inspected by X-ray or ultrasonic testing to
5 determine whether the weld stands up to API 1104 Code. On
6 most projects, if a welder has three rejected welds, he or
7 she will be terminated.

8 We welcome these standards because we realize the
9 public safety depends on us. We also acknowledge the need
10 to stay up-to-date with the ever-changing metallurgical
11 procedures the gas companies put in place to make sure the
12 pipelines are welded properly. Local 798 has a 50,000
13 square foot training center with 52 welding booths, so
14 members can brush up and stay current on the latest welding
15 procedures.

16 I would now like to discuss grid reliability
17 which relates to both the environment and economics.

18 There is a current race to net zero emissions in
19 our country and I am full support of that, but the sprint
20 to net zero will come with consequences if we go too fast.

21 In April 2021, the Columbia University Center on
22 Global Energy Policy released a report that shows future
23 continued use of natural gas for at least the next 30
24 years. And that there is no quick replacement for gas in
25 the U.S. energy mix.

1 New strategies like carbon capture and hydrogen
2 injection must be developed to reduce emissions while the
3 continued use of gas is necessary to maintain our existing
4 quality of life.

5 EQT recently announced in a *Wall Street Journal*
6 article by Colin Eaten, that they plan to spend 20 million
7 over the next few years to replace leaky pneumatic devices.
8 And they expect that will cut about 80 percent of the
9 company's methane emissions.

10 Two recent events shed light on the chaos that
11 can ensue if the grid goes down. The Colonial Pipeline
12 attack by hackers had people running to hoard gasoline. In
13 the event -- if the event had lasted a couple more days,
14 extreme disorder would have happened as I witnessed it
15 beginning to start.

16 The next event was the Texas freeze where all
17 energy sources failed due to extreme cold temperatures and
18 non-winterization of the systems. In this case, the
19 elderly suffered, many experienced dangerous discomforts,
20 and once again we were teetering on the brink of utter
21 madness due to a broken power grid.

22 Pipelines are necessary for our society to
23 function to provide affordable energy to all and renewables
24 cannot current come close to providing total grid
25 reliability like natural gas can.

1 In closing, today I have given my best effort to
2 explain the economic and environmental benefits of
3 pipelines. And I pray that I was able to give the proper
4 personal perspective of a proud union member who started
5 out in this business with the goal of becoming a good
6 welder who worked an honest profession and was able to
7 adequately provide for his family.

8 These days, the anti's try to make me feel like a
9 second class citizen at every pipeline hearing we attend.
10 I will continue to make my voice heard because many of you
11 only hear one side of the story. My job is to procure work
12 for the betterment of my membership and hopefully today I
13 accomplished that goal.

14 Thank you.

15 MAJORITY CHAIRMAN METCALFE: Thank you, sir.

16 Thank you both for your testimonies today.

17 And our first question will be from Mr.
18 Representative Vitali.

19 DEMOCRATIC CHAIRMAN VITALI: Thank you, Mr.
20 Chairman.

21 And thank you both for your testimony.

22 I've been in the Legislature for a long time and
23 working on environmental issues for a long time. And a
24 very discouraging trend I've noticed in the last couple of
25 years with regard to legislation relating to natural gas

1 and their intendent pipelines is the building trade unions
2 coming out in support of the anti-environmental
3 legislation. I'm thinking of the Regional Greenhouse Gas
4 Initiative. I'm thinking of the Petro Chemical legislation
5 with regard to House Bill 732 and so forth which pits, you
6 know, puts Members in the terrible position of having kind
7 of to choose between their allegiance to labor versus the
8 environment.

9 So, you know, my question to you guys is does
10 either the Pipelines Local 798 or LiUNA have any committees
11 that focus in on like the environmental committees of --
12 the environmental aspects of legislation? Do you have
13 something equivalent to a sustainability officer? Do you
14 -- in other words, do you have any formal process or people
15 that factor in the impact on climate and the environment
16 generally on positions you take on these bills and does
17 that influence your position at all?

18 MR. HORN: Well, that's a lot to unpack. I can
19 tell you from the local level and what we've tried to do as
20 far as creating jobs is just that. It's not -- we have
21 safety standards. We have training. We're looking for,
22 you know, we're looking for employment. We're looking for
23 work for our members and a bright future.

24 I don't know that we get involved in that.
25 That's up to the regulatory committees that we have to

1 depend on whether it's DEP, or FERC, or anybody else. I
2 mean, if they're putting together the, you know, the
3 reports that come out and we have to follow them as best we
4 can.

5 I -- you know, as far as an in-house studies, I
6 don't believe we do that. We have to rely on committees
7 and people like yourself to help us make those decisions.
8 But at the end of the day, we know that we can do the
9 projects as safely as possible. We know that these
10 projects get done. If they get done by local labor,
11 they're going to be -- we're going to use the best safety
12 standards and that is our number one focus.

13 MR. BUTTERWORTH: I would say our members are
14 much like me. I support -- I have a solar cabin in West
15 Virginia on a trout stream and I still have to turn the
16 diesel generator on. So the yin and the yang and the give
17 and the take, we worry just like I worry that we're going
18 to get there too fast.

19 I'm in support of renewables. I think -- I don't
20 have a problem with it. But quality of life. Is quality
21 of life going to be compromised by going too fast?

22 And I feel like many of my -- I talk to my
23 members every day and we have conversations like this. And
24 as far as your question, I don't have an officer that I'm
25 aware of. But from my talks with my members every day,

1 that's one -- that's some of our fears that we're going to
2 get there too fast.

3 And who's going to, you know, if we do go to wind
4 and solar jobs, I've not started working on those projects
5 yet. I mean, who is going to, you know, are there actual
6 jobs for our folks when this happens? You know, we have to
7 talk all this into account. It's a societal question, in
8 my opinion.

9 MAJORITY CHAIRMAN METCALFE: Representative --

10 DEMOCRATIC CHAIRMAN VITALI: But if you had a
11 committee to study this to maybe help answer some of those
12 questions and take your positions. I would encourage some
13 sort of committee or person designed to deal with the
14 environmental aspects of the positions you take on issues.

15 MR. BUTTERWORTH: And I'll note that with my
16 business manager.

17 MAJORITY CHAIRMAN METCALFE: Representative
18 Isaacson?

19 REPRESENTATIVE ISAACSON: Hi. How are you doing?
20 I guess I can say good afternoon now.

21 I'm from Philadelphia so, you know, we have
22 different issues with regard to energy and resources, but I
23 also know that the building trades, you all work together
24 statewide. And I've been to some of the facilities in the
25 Philadelphia region like the Steamfitters and it's amazing

1 the technology, and the science, and math that goes into
2 training properly of the apprentices so that they're ready
3 to be out in the field.

4 So following up on some of my earlier questions
5 with regard to you and your unions and training and getting
6 ready for the path that energy is taking because we all,
7 whether we want to admit it or not, over time, the energy
8 market is going to change. And like I was reading about
9 the hydrogen for the carbon cab, so it changes the
10 chemistry of some of the pipelines that are used today for
11 oil and gas.

12 Is this stuff that you're keeping up with in
13 training or with corporations that are hiring you to make
14 sure that your workforce is prepared for this ever-changing
15 energy economy as we move forward so that we can make sure
16 that we're keeping your good jobs coming.

17 MR. HORN: Sure. Yeah. As a matter of fact, and
18 I mentioned it briefly that we are an All-of-the-Above
19 energy union. We've worked on wind farms. We've worked on
20 pipelines. We've done natural gas fired power plants.
21 We've done nuclear plants. You know, we've been involved
22 in every facet leading up to this point and moving forward
23 as part of Governor Wolf's initiative. I think he's ruled
24 out however many solar farms. I think there was nine, if
25 I'm not mistaken.

1 And we currently have training set in place to
2 advance forward our membership and making sure that we are
3 ready when and if -- well, not if, it's going to happen.
4 You know, we are obviously moving in that direction, but we
5 want to be ready. We want to be on the forefront when this
6 happens. And we already have our curriculum set in place
7 for solar.

8 As far as, you know, the hydro, it's something
9 that we've already trained for. We are on the ready for
10 and will continue to upgrade any of training as, you know,
11 as seen fit by safety standards or any type -- any other
12 type of regulatory standards.

13 MR. BUTTERWORTH: And I would -- like I mentioned
14 in my speech, we have one of the top training facilities in
15 the UA. And I've -- I know Local 420 Philadelphia does. I
16 know Local 449 in Pittsburgh does.

17 And whatever comes our way, welding is a broad
18 ever-changing world. You never know what's coming up and
19 I'm sure we will have to adapt, but we're more than willing
20 and we're actually ready because we have the facilities to
21 get it done. That's my answer.

22 REPRESENTATIVE ISAACSON: Thank you very much.

23 MAJORITY CHAIRMAN METCALFE: So as the -- as
24 Representative Vitali had questioned about the Committee
25 he'd like you to have and I think you'd mentioned, Mr. Horn

1 in your testimony about the national security implications
2 of pipelines which should be very obvious to people as they
3 are familiar with, you know, even the most recent hack job
4 and what it did to the East Coast for access to gasoline as
5 was referenced by Mr. Butterworth also in his testimony.

6 Do you all from the leadership positions that
7 you're in and your unions, have you had discussions or been
8 briefed on what China is doing in regards to firing up
9 coal-fired power plants. I believe the estimate is five
10 for every coal-fired power plant that we see decommissioned
11 in the United States.

12 Because, you know, this whole push to drive the
13 United States and the Western world in a direction of zero
14 carbon emissions and doing away with use of petroleum
15 project -- products and natural gas. When we're done with
16 that, they'll be after nuclear. But this whole push is not
17 being embraced by the East. It's not being embraced by
18 China. You know, whatever we're doing if we take one coal-
19 fired power plant down and they erect five in China, what's
20 that do to the world's CO2 for what the Minority Chairman
21 fears is occurring?

22 I remember, back in the 70's -- I was talking to
23 my staff this morning. I think there was even cereal box
24 that I remember when I was a kid talking about the coming
25 ice age that we were going to have in the 70's. And in the

1 80's and 90's, it turned into global warming and we were
2 going to melt down on the earth. And then once they
3 figured out that the climate's always changing and they
4 couldn't keep selling these lies to the people and they
5 were being debunked decade after decade, then they changed
6 it to climate change which nobody can deny the climate
7 changes day-to-day, but the science doesn't back up the
8 IPCC report that they've been touting; the very broad
9 assumptions and declarations that they made aren't backed
10 up by any data.

11 Are your organizations and those leadership
12 positions you're in are they -- do they have a committee as
13 Representative Vitali had asked for? Are you being briefed
14 on what's going on in China, and India, and the other
15 nations that our impacting American jobs here as people try
16 and cancel out your work on pipelines and they are erecting
17 these things like they're tomorrow's bread and butter which
18 they are for them because the creation of energy correlates
19 directly to the creation of wealth which is why the rest of
20 the world would like to see the United States of America
21 stop creating energy.

22 What are you hearing from your leadership
23 positions regarding that?

24 MR. HORN: Well I could tell you that --

25 MAJORITY CHAIRMAN METCALFE: You read first.

1 MR. HORN: Yeah, right. No, we don't talk about
2 -- I mean, it's there. It's very obvious. It's part of
3 the reason that we're here testifying today. I mean,
4 energy independence, you know, in hostile nations and
5 separating ourselves from them, they're going to continue
6 to do that. But on a global level, I think that gets a
7 little bit above my pay grade. But, you know, it is
8 something that I think we all have to be mindful of so we
9 can fight on this level as much as possible, but I don't
10 think it's going to really make any bit of difference if
11 they're going to ramp up to your point.

12 But if we have the resources here and we can
13 extract it in a safe way and get farther and farther away
14 from any type of foreign independence, or foreign
15 reliability, then I think that's something that we have to
16 continue to put forward to doing.

17 I mean, again, we have the resources. I think
18 Pennsylvania -- somebody had mentioned where we stood and
19 as far as natural gas or energy, I think it's third in the
20 nation, right, if I'm not mistaken.

21 So, yeah, I mean, if we have the resources here,
22 I think we need to take advantage of them.

23 MAJORITY CHAIRMAN METCALFE: Yeah, we're second
24 in the nation in natural gas.

25 MR. HORN: Second.

1 MAJORITY CHAIRMAN METCALFE: I think only second
2 to Texas, I believe.

3 MR. HORN: Wow, I apologize. I should --

4 MAJORITY CHAIRMAN METCALFE: No need to apologize

5 --

6 (Laughter.)

7

8 MAJORITY CHAIRMAN METCALFE: -- just we are
9 second which is good for the pipeline workers out there.

10 MR. BUTTERWORTH: I feel that my members -- then
11 as far as the answer to your question, there's no committee
12 that I'm aware of that -- regards to this, but it's highly
13 talked about. I mean, this is our jobs.

14 And I'll be honest with you, most of my members,
15 now I can't speak for the upper leadership in the
16 International, but most of my members are all about keeping
17 it here. And obviously, because that keeps them working.
18 I mean, it's a no brainer in my opinion that they want to
19 keep it here.

20 And, you know, it's in the news every day. It's
21 in -- it's unavoidable. You cannot go without seeing it.
22 And all these issues, but it's like our country is split
23 50/50 right now and I just worry. I worry about the future
24 generations and some of these issues. We got to get past
25 them and we got to -- I don't know. We got to come

1 together on some of these fronts.

2 MAJORITY CHAIRMAN METCALFE: And that's right. I
3 think when you say it's split 50/50, I would think that if
4 the majority of Americans understood that the same country
5 who delivered the Wuhan virus to us, to the world that's
6 destroyed so many economies in nation after nation around
7 the world and costs so many lives and continues to reck
8 havoc in the school days of our kids, in the halls of our
9 state capitols and the hall of our federal capitol, if they
10 would understand that the same country that delivered that
11 virus to the world, that they are now continuing to build
12 out their energy infrastructure in a way that we're being
13 told we need to tear ours down. I mean, it's just
14 counterintuitive to any logic that people should be
15 applying.

16 And when you mention above your pay grade, I
17 think every American citizen has an obligation to become
18 familiar with what's going on in the halls of the capitols
19 because they're supposed to be the government. It's like
20 it's we the people, right? So we're putting people in
21 these capitol offices, some of them you heard here today
22 that thinks the sky is falling.

23 REPRESENTATIVE ISAACSON: Well I have an --

24 MAJORITY CHAIRMAN METCALFE: The sky's really not
25 falling.

1 MR. BUTTERWORTH: I have an experience in
2 Virginia. I spoke at a hearing and the Chairman of the
3 Committee came down and said, you know, I didn't really --
4 I bought an all electric house and didn't know where my
5 energy came from. I said it came from a powerhouse. And
6 she was the head of the Environmental Committee.

7 MAJORITY CHAIRMAN METCALFE: That's the problem.

8 MR. BUTTERWORTH: I do think it's our obligation
9 for everybody to get informed of what's -- about what's
10 going on out there.

11 MAJORITY CHAIRMAN METCALFE: I agree.

12 Well I thank you both for sharing your testimony
13 with us here today. And thank you for traveling here from
14 your locations in the east of our state and from West
15 Virginia. We appreciate it.

16 MR. BUTTERWORTH: West (indiscernible) Virginia.

17
18 (Laughter.)

19
20 MAJORITY CHAIRMAN METCALFE: Thank you both.

21 Our next testifier is Mr. David Marks, Eastern
22 Energy Field Services, formerly known as Dominion Energy
23 Field Services. He's of the Board of Directors, P-I-O-G-A,
24 P-I-O-G-A. Thank you, sir. Thank you for continuing to
25 stand.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

(Oath administered.)

MAJORITY CHAIRMAN METCALFE: Thank you, sir.
Please have a seat and begin when you're ready. And it
looks like we don't have any more protestors -- maybe.
Maybe we'll have one more for you.

DEMOCRATIC CHAIRMAN VITALI: Well, they're
Pennsylvania citizens and we love them.

MAJORITY CHAIRMAN METCALFE: You love them.

(Laughter.)

MAJORITY CHAIRMAN METCALFE: Thank you, sir.

MR. MARKS: I didn't practice for any of this.
And the speakers in front of me preempted, but I thank you
for letting me speak to both Chairman's and the rest of the
Representatives.

I can say that you may have my paper, I'm not
sure. I'm not going to read much from it, but I know that
if we start phasing out some of these energy jobs, I just
don't know how much underfunded the Legislature would be.

I just had to add that. But thanks again. And I
am on the Board of Directors for the Pennsylvania
Independent Oil and Gas Association.

1 And I find in a short period of time right here,
2 that the Committee Members do understand the necessity of
3 pipelines now. However, some folks may be interested in
4 phasing them out. And that there's a chief concern about
5 burning fossil fuels.

6 Well, this is what I tell my friends and family
7 and my colleagues. We're probably going to stop burning
8 fossil fuels some day and probably because we need to. I
9 don't know if that's going to be in our lifetime, but the
10 transitions already started. Nevertheless, as we do that,
11 we're going to need pipelines anyway.

12 I tell my friends fossil fuels might be burned,
13 but let's not talk about burning fossil fuels, let's talk
14 about natural gas and oil being necessary feedstock. I
15 would submit that many of the protestors who walked out of
16 here today were wearing synthetics made from natural gas
17 and oil. Some of our clothes that we're wearing, the
18 carpeting that we walk across. You can't walk out of your
19 house without touching a thousand things made out of
20 natural gas and oil.

21 Natural gas and oil is the necessary feedstock
22 for so many things. You're not going to visit your
23 healthcare practitioner or your emergency room, your
24 doctor's office without the need of things made from
25 natural gas and oil to keep us healthy. All of my

1 prescriptions come in plastic bottles made out of natural
2 gas and oil. Praise God.

3 While we're reducing these greenhouse gas
4 emissions, we're finding that the countries that are
5 signing the Paris Climate Accord are not, getting back to
6 Chairman Metcalfe's comments. China is building a coal-
7 fired power plant every week or two. A matter a fact,
8 every month China builds at least 1,000 megawatts of coal-
9 fired generation while the United States has reduced
10 greenhouse gas emissions by at least 23 percent since 2010.
11 And that's from the EPA, that's not from David Marks.

12 But I do want to turn to this paper that I have
13 submitted because there's something very important in here
14 that I find -- that I'm gleaning things from the National
15 Conference of State Legislatures. And it's a nice paper
16 written by Daniel Shea and Connor Shantz in February of
17 '20, "Safe and reliable Pipelines, a Primer for State
18 Legislatures". I'm not going to read verbatim all of the
19 stuff here, but I do like this one section especially.

20 The role of State Legislatures because the State
21 Legislatures can control and regulate how we build and use
22 these pipelines that we need. State Legislatures play a
23 significant role in promoting safety by overseeing
24 regulators and passing legislation. They can direct
25 regulators to adopt safety standards that are more

1 stringent than federal requirements and financing
2 mechanisms that offer incentives to replace older
3 pipelines.

4 Approximately half of all local distribution
5 companies have replaced all of their bare steel and wrought
6 iron, cast iron pipe. That's happening right now even in
7 my community over in Pittsburgh. People's natural gas is
8 doing a really great job in replacing the old
9 infrastructure.

10 Legislatures can also update statutes on
11 excavation damage prevention and enhance civil penalties
12 and enforcement or require the pipeline operators meet
13 certain emergency planning requirements. We need you to
14 participate in this. This is your job and we need you.

15 There's a lot to be said about preventing
16 excavation damage. That's where you get a lot of methane
17 leakage; people accidentally disrupting pipelines. And I
18 know my pipeline brothers and sisters are working hard to
19 reduce methane leakage simply by replacing faulty
20 infrastructure, interconnections, valves at compressor
21 stations and such. It's working. They're doing it. And
22 the newest pipelines are going to last much longer because
23 they're made out of better materials and we're using more
24 better technology to control the flow of natural gas and
25 oil in these pipelines.

1 As we know, state regulators are tasked with
2 protecting ratepayers. It's their job to ensure that rates
3 remain reasonable and to ensure everyone has access to
4 products. But they're also responsible for the regulation
5 of pipeline operators. It's on you to keep us in check,
6 but it's on us to build the necessary infrastructure.

7 Once again, no body in this room can walk through
8 their house without touching a thousand items made from
9 natural gas and oil. And we need you to help us continue
10 doing this.

11 So it's the role of utility commissioners to
12 balance public safety and costs. We need this balance.
13 It's not always easy. If safety were the only concern,
14 utility commissions would approve massive near-term rate
15 increases. We couldn't afford that. That would be funding
16 a sweeping effort to replace the riskiest pipes. We can't
17 afford that, but we can find a balance and that's where you
18 come in.

19 You know, I don't want to go on and on and read
20 this verbatim. I don't need to. But we need you and you
21 need us. Pipelines are here to stay for a little while
22 longer.

23 When I talk to my trucking agency friends, they
24 said, we want electric vehicles, especially if they work
25 better, but we already know that we're going to need diesel

1 for the next 40 years. And as our first presenter said,
2 all that diesel is delivered by pipelines. Now, these
3 trucks deliver products that we need and use every day.

4 One of my friends said to me, you know, during
5 COVID, nobody was driving. I said really? You weren't
6 going to the grocery store? Nobody was delivering anything
7 to your house? I think there might have been just as much
8 driving. I don't know about you all, but I walk to church.
9 I don't need to drive, but I had to drive here from
10 Pittsburgh and yeah, I burned gasoline to get here doggone
11 it and it was delivered by a pipeline.

12 That's all I want to say.

13 MAJORITY CHAIRMAN METCALFE: Thank you, sir.

14 Representative Vitali for the first question.

15 DEMOCRATIC CHAIRMAN VITALI: Thank you.

16 The sky might not be falling, but the western
17 part of this country is on fire. We are dealing with a
18 serious climate crisis and it's on us. I just saw the
19 headlines of a paper that said for the first time in our
20 history, the Colorado River has -- is -- has a water
21 shortage, you know. We've had, you know, Hurricane Maria
22 devastate Puerto Rico. Katrina flood New Orleans.
23 Superstorm Sandy devastate my region. Things need to
24 change.

25 You know, no one is denying the fact that

1 pipelines are needed now. Pipelines are safer than trucks.
2 No one is denying that we wear clothing and use products
3 every day. No one is denying that. That's not the issue.
4 But what is clear is we as a planet need to drastically
5 change our lifestyle to avoid the worst effects of climate
6 change. It is a "code red for humanity". It really is.

7 And we in Pennsylvania as a major greenhouse gas
8 producer, have things under our control and we should be
9 doing that. And one very basic thing after REGI is these
10 methane regulations.

11 So my, I guess my narrow question to you is does
12 Eastern, if they come out and support of these the
13 CO2/methane regulations?

14 MR. MARKS: I'm not here to talk about supporting
15 methane regulations. I'm here to tell you that I'm a
16 witness to pipeline operations reducing methane leaks.

17 And when we talk about the climate, of course,
18 the climate's been changing since the -- since God allowed
19 the earth to have an atmosphere. That's about 3 billion
20 years. But we're transitioning the hydrogen that one of
21 the other presenters mentioned earlier. Hydrogen has no
22 carbon in it and we're going to augment local distribution
23 companies with hydrogen, carbonless hydrogen to reduce
24 emissions further.

25 I will submit to you, sir, that nobody wants to

1 discuss the cyclical nature of the sun which is the primary
2 driver for heat on this planet.

3 Secondly, I take Katrina was a very important
4 thing for me. My family lost a lot. 200 square miles of
5 the Mississippi coast was just leveled by Katrina. But I
6 want you to read -- Katrina was in August of 2005. I
7 suggest that you check National Geographic, August of 2004
8 where they warned -- that the Corps of Engineers pleaded
9 with the City Council of New Orleans to correct their levee
10 system because New Orleans was not hit by Katrina, New
11 Orleans was hit by City Council. When Lake Pontchartrain
12 reversed course and flooded the Ninth Ward, it was because
13 the City Council decided to ignore the warnings of the
14 Corps of Engineers. That's documented very well.

15 The fires out west, maybe they're lightening
16 fires and it's very hot and making everything dry, but
17 we're also ignoring the fact that some of these fires need
18 to burn and you're not supposed to be building your house
19 where these fires exist.

20 MAJORITY CHAIRMAN METCALFE: Representative
21 Guzman?

22 REPRESENTATIVE GUZMAN: Thank you, Mr. Chair.

23 I appreciate all the presenters today. I did
24 learn a lot.

25 And I want to preface my question by saying that

1 I have been one of those Democrats and I continue to be one
2 of those Democrats who view myself as a pragmatic Democrat.
3 I agree with the Chairman and I agree with the various
4 comments that have been made that pipelines and petroleum
5 and our dependence on pipelines and petroleum are not going
6 the away, certainly not in my lifetime for sure.

7 That being the case though, we and as Representatives,
8 you know, we hear from constituents all the time, including
9 those constituents who have pipelines running within their
10 backyards. And many of them contact us about issues that
11 they're having with their water or issues that they're
12 having with the pipeline operators themselves being the
13 case.

14 And so my question to you is what would be your
15 response to a homeowner right now who has a pipeline riding
16 in their backyard who's complaining about chemicals in
17 their water. What would be your response to that and what
18 would be the industry's response to a homeowner in a
19 neighborhood who has a pipeline running in their backyard?

20 MR. MARKS: Well, we already know because the
21 Department of Environment Protection in Pennsylvania has
22 proven that pipelines aren't adding chemicals into people's
23 water. But we also have proof that 77 homes in
24 Pennsylvania a decade ago did get their water wells
25 disturbed by unconventional practices in drilling; taking

1 shortcuts, using bad concrete. That did happen. It hasn't
2 happened in many years and I don't know of anybody with a
3 pipeline in their yard that's dealing with chemicals in
4 their water. Do you?

5 REPRESENTATIVE GUZMAN: I've had constituents
6 email me directly pictures, videos. So, I mean, and the --

7 MR. MARKS: Videos of chemicals leaking out of
8 pipelines?

9 REPRESENTATIVE GUZMAN: Excuse me, sir, I --
10 excuse me, sir, I have the mic. And the common denominator
11 of all of that, of course, is that there's a pipeline
12 running within their backyard.

13 So again, I mean, I'm curious to hear -- and this
14 is coming from a pragmatic Democrat, again.

15 MR. MARKS: Amen.

16 REPRESENTATIVE GUZMAN: What is the industry's
17 response to constituents that are rightfully emailing us
18 pictures and videos that they have issues with their water
19 and the common denominator being that they have a pipeline
20 running in their backyard?

21 MR. MARKS: I submit that the industry needs to
22 help the landowners find out the source of the chemicals.

23 REPRESENTATIVE GUZMAN: And do you believe the
24 industry has any responsibility in informing the public or
25 keeping the public abreast of --

1 MR. MARKS: If there's a legal agreement between
2 the land owner and the pipeline company, maybe because
3 they're sharing in something important.

4 REPRESENTATIVE GUZMAN: So you believe that
5 that's a maybe and it's not something that should be
6 required?

7 MR. MARKS: I'm not an attorney, sir, and I don't
8 have the contracts in front of me, but I would be part of
9 it if I could.

10 REPRESENTATIVE GUZMAN: Thank you, Mr. Chairman.

11 MAJORITY CHAIRMAN METCALFE: Thank you.

12 And you had mentioned a lot of the ways that we
13 are touched by petroleum products or byproducts that are
14 made from byproducts from the petroleum industry. If the
15 cancel culture was successful in canceling all use of
16 fossil fuels as far as for energy, what would the economic
17 reality be of continuing to use those products in the other
18 products that they're using daily in their life, including
19 when they go to the hospital for an emergency situation?

20 MR. MARKS: There's no substitute for these
21 items. There's no substitute for these materials. Tax
22 revenues would plummet because jobs would go away. And our
23 health and safety concerns would skyrocket because we'd
24 have some deficits in our hospitals, in our healthcare
25 systems.

1 MAJORITY CHAIRMAN METCALFE: So you're a board
2 member of Pennsylvania Independent Oil and Gas Association
3 also?

4 MR. MARKS: Yes, sir.

5 MAJORITY CHAIRMAN METCALFE: So has the
6 Association been working with other trade associations or
7 working to help to elevate the recognition by our
8 government and by our citizens who make up the government
9 of what's going on with China's continued growth of using
10 coal and at the same time as some of their -- I mean,
11 really they're allies, even though it might be unbeknownst
12 to them that they're working in concert with China to call
13 for us to reduce --

14 MR. MARKS: Right.

15 MAJORITY CHAIRMAN METCALFE: -- our own energy
16 creation and to rely on unreliable sources instead of
17 relying on tried and true resources that we have -- I mean,
18 we're in Pennsylvania. I think we had a couple hundred
19 years worth of coal still in the ground and that's not even
20 talking about all the natural gas that's both in
21 Pennsylvania, and Texas, and other areas of the, you know,
22 New York where Cuomo wouldn't let them find access to it,
23 some of the property owners up there, but maybe that will
24 change now that he who thought --

25 MR. MARKS: The short -- I'm sorry.

1 MAJORITY CHAIRMAN METCALFE: -- he was king is
2 going away.

3 MR. MARKS: The short answer to your question is
4 yes, of course. PIOGA speaks with all the other local
5 trade organizations and the organizations in Ohio and West
6 Virginia. We have plenty of conversations, but, you know,
7 you can bring a horse to water, you can't make him drink.
8 The China situation is in the news every day. But let me
9 give you an example of what I mean.

10 Last month, 200 -- more than 210,000 people
11 attempted to cross the southern border and were arrested.
12 The Department of Homeland Security estimates that at least
13 30 percent more made it across the border without
14 detection. I called my brother in Toms River, New Jersey
15 to talk to him about it. These are the largest numbers
16 since 2006 and possibly in 20 years. And my brother,
17 Richie said, I don't know what you're talking about. I
18 said, Richie, don't you watch the news? He says of course
19 I do.

20 In other words, we don't need additional
21 publications. The news is out. China is here to eat our
22 lunch. If we want to ignore it, if we want to ignore the
23 news, we can, but when we take one step forward, we've got
24 India, Russia, and China, and even Brazil taking two steps
25 back when it comes to emissions. We need their help. We

1 need to get to that 1.5 degrees, but I'm not suggesting
2 that man can control the temperature of the earth.

3 MAJORITY CHAIRMAN METCALFE: Thank you. Thank
4 you for your testimony.

5 MR. MARKS: Thank you. I enjoyed it.

6 MAJORITY CHAIRMAN METCALFE: I'm glad you enjoyed
7 it. So did I.

8 So thank you to all of our testifiers today.
9 Appreciate your time. Appreciate the Members that have
10 been involved and those still hanging online virtually.
11 We'll look forward to continued conversations which I know
12 we will have regarding the environmental and economic
13 benefits of pipelines and the products that they move for
14 the benefit of our citizens.

15 So that's all of the business that we have before
16 the Committee today for this hearing. And thank you once
17 again to our testifiers. Everyone have a great day. This
18 meeting is adjourned.

19

20 (The hearing concluded at 12:55 p.m.)

1 I hereby certify that the foregoing proceedings
2 are a true and accurate transcription produced from audio
3 on the said proceedings and that this is a correct
4 transcript of the same.

5

6

7

Traci Calaman

8

Transcriptionist

9

Diaz Transcription Services