

Highlights of GAO-12-388, a report to congressional requesters

March 2012

## Pipeline Safety

### Collecting Data and Sharing Information on Federally Unregulated Gathering Pipelines Could Help Enhance Safety

#### Why GAO Did This Study

Pipelines are a relatively safe mode of transportation for hazardous liquid and natural gas and are regulated by the Department of Transportation's (DOT) Pipeline and Hazardous Materials Safety Administration (PHMSA) and state entities. Included in the nation's pipeline network are an estimated 200,000 or more miles of onshore "gathering" pipelines, which transport products to processing facilities and larger pipelines. (See figure.) Many of these pipelines have not been subject to federal regulation based on their generally rural location and low operating pressures. While incidents involving gathering pipelines regulated by PHMSA have resulted in millions of dollars in property damage in recent years, comparable statistics for federally unregulated gathering pipelines are unknown. This report identifies (1) the safety risks that exist, if any, with onshore hazardous liquid and natural gas gathering pipelines that are not currently under PHMSA regulation and (2) the practices states use to help ensure the safety of these pipelines. GAO surveyed state pipeline safety agencies in all 50 states and the District of Columbia; interviewed officials at PHMSA, state pipeline safety agencies, pipeline companies, and industry associations; and analyzed data and regulations.

#### What GAO Recommends

DOT should (1) collect data on federally unregulated hazardous liquid and gas gathering pipelines and (2) establish an online clearinghouse or other resource for sharing information on pipeline safety practices. DOT provided technical corrections on a draft of this report.

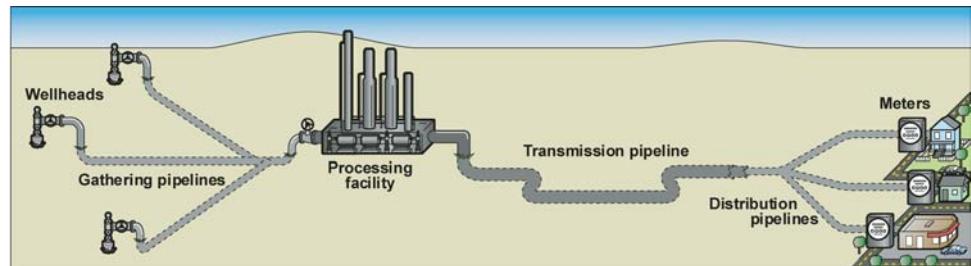
View GAO-12-388. For more information, contact Susan A. Fleming at (202) 512-2834 or [flemings@gao.gov](mailto:flemings@gao.gov).

#### What GAO Found

While the safety risks of onshore gathering pipelines that are not regulated by PHMSA are generally considered to be lower than for other types of pipelines, PHMSA does not collect comprehensive data to identify the safety risks of unregulated gathering pipelines. In response to a GAO survey, state pipeline safety agencies cited construction quality, maintenance practices, unknown or uncertain locations, and limited or no information on pipeline integrity as among the highest risks for federally unregulated pipelines. Without data on these risk factors, pipeline safety officials are unable to assess and manage safety risks associated with these pipelines. Furthermore, changes in pipeline operational environments cited in response to GAO's survey and by industry officials could also increase safety risks for federally unregulated gathering pipelines. Specifically, land-use changes are resulting in development encroaching on existing pipelines and the increased extraction of oil and natural gas from shale deposits is resulting in the development of new gathering pipelines, some of which are larger in diameter and operate at higher pressure than older pipelines. PHMSA is considering collecting data on federally unregulated gathering pipelines, but the agency's plans are preliminary, and the extent to which PHMSA will collect data sufficient to evaluate the potential safety risks associated with these pipelines is uncertain.

A small number of state pipeline safety agencies GAO surveyed reported using at least one of five practices that were most frequently cited to help ensure the safety of federally unregulated pipelines. These practices include (1) damage prevention programs, (2) considering areas of highest risk to target resources, (3) safety inspections, (4) public outreach and communication, and (5) increased regulatory attention on operators with prior spills or leaks. However, the sharing of information among states on the safety practices used appears to be limited. Some state and PHMSA officials GAO interviewed had limited awareness of safety practices used by other states. Increased communication and information sharing about pipeline safety practices could boost the use of such practices for unregulated pipelines. However, information targeted at gathering pipelines on PHMSA's website, including relevant safety practices and state activities, is limited.

#### Pipeline System



Source: PHMSA.