



Opening Statement of Keith J. Coyle, Esq.

Pennsylvania House of Representatives  
Environmental Resources & Energy Committee  
Public Hearing on the Environmental and Economic Benefits of Pipelines

August 17, 2021

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

My name is Keith Coyle, and I am testifying on behalf of the Marcellus Shale Coalition, or MSC, one of the region's most important advocacy groups for the oil and gas industry. My primary involvement with the MSC is as Chair of the Pipeline Safety Workgroup, a position that I have held for the past several years. I am also a Shareholder in the Washington, D.C. office of Babst Calland, a Pittsburgh, Pennsylvania-based law firm that represents various clients in the energy industry. As a member of Babst Calland's Transportation Safety Group, I focus primarily on matters involving pipeline safety and the transportation of hazardous materials. Before joining Babst Calland, I served as an Attorney Advisor for the Pipeline and Hazardous Materials Safety Administration, or PHMSA, the federal agency that administers the nation's pipeline safety program. I also served as a member of Governor Wolf's Pipeline Infrastructure Task Force, participating on the Pipeline Safety and Integrity Workgroup.

Pipelines have been transporting energy products in the United States since the 19<sup>th</sup> century. In the 1820s, the nation's first gas pipeline system was built in Fredonia, New York, transporting gas a short distance from a shallow well to local customers.<sup>1</sup> In the 1860s, shortly after the country's first oil well was drilled in Titusville, Pennsylvania, pipelines began to appear in the oil-producing regions of the Commonwealth, replacing wooden barrels and horse-drawn wagons to provide a more efficient and effective means of transportation.<sup>2</sup> By the late 1870s, the nation's first long-haul pipeline, the 109-mile Tidewater Pipe Line, was built to transport oil from Coryville to Williamsport, Pennsylvania.<sup>3</sup>

As a result of technological advances in the early 20<sup>th</sup> century, including improvements in steelmaking and pipe manufacturing, a growing network of cross-country pipelines started to

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<sup>1</sup> Van Ness Feldman, Natural Gas Pipeline Safety and Reliability: An Assessment of Progress at 7, <https://gasfoundation.org/wp-content/uploads/2019/10/pipelinesafety.pdf>.

<sup>2</sup> John F. Kiefner & Cheryl J. Trench, Oil Pipeline Characteristics and Risk Factors: Illustrations from the Decade of Construction at 13 (Dec. 2001), <https://www.api.org/~media/files/oil-and-natural-gas/ppts/other-files/decadefinal.pdf?la=en>.

<sup>3</sup> Planet Smethport Project, History of Coryville, PA, <http://www.smethporthistory.org/coryville/oilarticle.html> (last visited Aug. 16, 2021); Tidewater Pipe Co. Historical Marker, <https://explorepahistory.com/hmarker.php?markerId=1-A-76> (last visited Aug. 16, 2021).



emerge in United States.<sup>4</sup> Two of the most important pipelines of the era, the Big Inch and Little Inch, were built at the height of World War II after German submarine attacks threatened the existing maritime transportation network, providing a secure means of delivering petroleum from the East Texas oil fields to refineries in the mid-Atlantic region and, eventually, to the planes, tanks, and other machinery that helped to secure the Allied victory.<sup>5</sup> In the decades following World War II, the nation's population and pipeline network continued to expand, with the total gas pipeline mileage increasing to about 800,000 miles in the late 1960s and surpassing 1 million miles by 1980.<sup>6</sup> Today, the U.S. Department of Transportation reports that there are more than 2.7 million miles of pipeline in the United States transporting energy products each day.<sup>7</sup>

Current and projected trends in energy use indicate that pipelines will play a critical role in the transportation sector for years to come. According to the U.S. Energy Information Administration, natural gas and petroleum accounted for more than two-thirds of the country's primary energy production and consumption in 2020.<sup>8</sup> Natural gas was the leading energy source for the industrial and electric power sectors, and the second leading energy source for the residential and commercial sectors. Petroleum was the dominant energy source for the transportation sector, accounting for approximately 90% of the total use. While renewable energy is expected to take a larger role in the future, the latest studies suggest that natural gas and petroleum will account for a significant portion of the nation's energy production and consumption for decades.<sup>9</sup>

As the members of this Committee know, Pennsylvania is one of our most important energy states. The Commonwealth produces more natural gas than any state other than Texas, and natural gas serves as the primary source of heating fuel for about half of all households.<sup>10</sup> Pennsylvania, which contains more underground natural gas storage sites than any other state, performs an

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<sup>4</sup> John F. Kiefner & Cheryl J. Trench, *Oil Pipeline Characteristics and Risk Factors: Illustrations from the Decade of Construction at 12 to 16*, <https://www.api.org/~media/files/oil-and-natural-gas/ppts/other-files/decadefinal.pdf?la=en>.

<sup>5</sup> Jerrell Dean Palmer & John G. Johnson, *Big Inch and Little Inch*, TEXAS STATE HISTORICAL ASS'N, HANDBOOK OF TEXAS, <https://www.tshaonline.org/handbook/entries/big-inch-and-little-big-inch>; <https://aoghs.org/petroleum-in-war/oil-pipelines-big-inch/> (last visited Aug. 16, 2021).

<sup>6</sup> Van Ness Feldman, *Natural Gas Pipeline Safety and Reliability: An Assessment of Progress at 8*, <https://gasfoundation.org/wp-content/uploads/2019/10/pipelinesafety.pdf>.

<sup>7</sup> Government Accountability Office, GAO-19-426, *Critical Infrastructure Protection, Key Pipeline Security Documents Need to Reflect Current Operating Environment* (June 5, 2019), <https://www.gao.gov/products/gao-19-426>; U.S. Dep't of Transportation, *Testimony of The Honorable Howard "Skip" Elliott, PHMSA Administrator, Before the U.S. House of Representatives Committee on Energy and Commerce, Subcommittee on Energy, The State of Pipeline Safety and Security in America* (May 1, 2019), <https://www.transportation.gov/testimony/state-pipeline-safety-and-security-america>.

<sup>8</sup> U.S. Energy Information Administration, *U.S. energy facts explained*, <https://www.eia.gov/energyexplained/us-energy-facts/> (last visited Aug. 16, 2021).

<sup>9</sup> U.S. Energy Information Administration, *Annual Energy Outlook 2021 with projections to 2050* (Feb. 2021), <https://www.eia.gov/outlooks/aeo/pdf/01%20AEO2021%20Market%20overview%20and%20Critical%20drivers.pdf>

<sup>10</sup> U.S. Energy Information Administration, *Pennsylvania State Profile and Energy Estimates*, <https://www.eia.gov/state/?sid=PA#tabs-2> (last visited Aug. 16, 2021)



essential function in meeting seasonal changes in energy demand.<sup>11</sup> The Commonwealth is the third largest supplier of energy to other states, trailing only Wyoming and Texas,<sup>12</sup> and is well-positioned to influence energy policy in the years ahead, thanks, in large part, to the abundant natural gas and petroleum resources located in the Marcellus and Utica shale.

Pipelines are the most widely used means of transporting natural gas and petroleum. Nearly all of the nation's natural gas is transported by pipeline, delivering more than 28 trillion cubic feet of natural gas to nearly 77 million customers in 2019.<sup>13</sup> Pipelines transport most, but not all, of the nation's crude oil and petroleum products, carrying about 3.4 billion barrels of these commodities in 2018.<sup>14</sup> According to the latest annual report from the Bureau of Transportation Statistics, pipelines are also the safest means of transporting energy products, causing far fewer fatalities and injuries than other modes of transportation.<sup>15</sup> More than 38,000 transportation-related fatalities occurred in the United States in 2019, and about 95% of those fatalities, or slightly more than 36,000, involved highway motor vehicles. Only 12 fatalities involved pipelines. More than 2.72 million transportation-related injuries occurred in 2018, and about 99% of those injuries involved highway motor vehicles. Only 81 injuries involved pipelines. At a time when the public is being asked to place greater emphasis on data in making health, environmental, and safety decisions, the case for pipelines is clear: Pipelines save lives and reduce the risk of injury, particularly when compared to other modes of transportation.

Despite the overwhelming benefits of pipelines, some governmental authorities are trying to ban the installation of new pipeline infrastructure or refusing to issue the permits or authorizations that are necessary for projects to proceed on a timely basis. Litigation is also being used to block the construction of new pipelines or shut down the operation of existing pipelines. These efforts are likely to create an energy transportation network that is far less safe, effective, and environmentally sound, especially in the short term. If adequate pipeline capacity is not available, other modes of transportation will be used to deliver energy products, creating greater risk to public safety and the environment. There is also a greater likelihood that the energy needs of customers will go unmet, particularly during times of peak demand. As the tragic events that occurred in Texas earlier this year and the more recent outage of the Colonial pipeline demonstrate, the most vulnerable members of society are often those who suffer the greatest harm if energy cannot be safely and reliably delivered to end users.

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

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<sup>11</sup> *Id.*

<sup>12</sup> *Id.*

<sup>13</sup> U.S. Energy Information Administration, Natural gas pipelines explained, <https://www.eia.gov/energyexplained/natural-gas/natural-gas-pipelines.php> (last visited Aug. 16, 2021).

<sup>14</sup> Repository & Open Science Access Portal, Transportation Statistics Annual Report 2020, <https://rosap.ntl.bts.gov/view/dot/53936> (Dec. 1, 2021)

<sup>15</sup> *Id.*