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**Testimony of The Pipeline Safety Trust**

Presented by: Bill Caram, Executive Director

for the

**Joint Oversight Hearing on the Orange County Oil Spill:  
Response, Recovery and Prevention**

before the

**Assembly Select Committee on the Orange County Oil Spill, Assembly Natural  
Resources, and Assembly Budget Subcommittee No. 3 on Climate Crisis,  
Resources, Energy, and Transportation**

November 15, 2021

Good morning Chair Petrie-Norris, and Assembly members, my name is Bill Caram and I am the Executive Director of the Pipeline Safety Trust.

The Trust was formed following the 1999 Olympic Pipeline failure in Bellingham, Washington. When that line ruptured, it spilled a quarter million gallons of gasoline into a creek in a heavily used city park. The entirely preventable failure and the subsequent explosion and fire stole the lives of three boys, damaged the city's water treatment facility and burned almost 2 miles of a salmon stream that runs through the center of town. The families of the boys who died and the community-at-large successfully pushed for funding for the Trust as part of the criminal penalties paid by the operator responsible for the failure, creating a public interest watchdog to improve pipeline safety.

The Pipeline Safety Trust is the only national non-profit organization that focuses on pipeline safety. We do this through education and advocacy, increasing access to information, and building partnerships with residents, safety advocates, government, and industry that result in safer communities and a healthier environment.

We are often called on as public-interest experts on pipeline safety by the media, state and federal regulators, and state and federal lawmakers.

I appreciate the opportunity to speak to you today as you work to extract lessons from the October failure of the Amplify Energy pipeline and determine what actions might be available

to the Assembly to prevent additional spills and to improve the response to those spills that do happen.

I would like to focus my testimony on tools the Assembly has to require more from pipeline operators in California and any regulatory gaps to address to help prevent future spills and improve response to such spills.

When the pipeline was originally built, it was permitted by the predecessor to BSEE, under the Department of Interior. The Department of Transportation and the DOI signed a Memorandum of Understanding which put DOT's Pipeline and Hazardous Materials Safety Administration (PHMSA) in charge of regulating Outer Continental Shelf pipelines between the production facility and the shore. BSEE remains in authority over pipelines between offshore platforms. So BSEE has jurisdiction over some of Amplify's Beta pipelines, and PHMSA has jurisdiction over others, including this line. As I'm sure you are already aware, pipelines such as Amplify's that cross from state waters into federal waters are considered interstate pipelines and are, therefore, under federal jurisdiction.

Before I get into areas of regulatory gaps, I would like to identify for the Committee a potentially powerful tool to adopt stricter regulations for federally-regulated interstate pipelines operating in California. The Federal Oil Pollution Act, enacted in response to the Exxon Valdez spill, allows states to require stronger plans than the federal regulations under oil spill prevention laws. As I outline various regulatory gaps, I will identify those areas which the Assembly could possibly address with this authority.

I will discuss pipeline safety regulatory gaps in four main areas: Construction, Spill Plans, Inspections, and Leak Detection.

PHMSA regulations state that all offshore pipe in water between 12 and 200 feet in depth must be below the underwater natural bottom unless the pipe is supported by stanchions held in place by anchors or heavy concrete coating, or protected by an equivalent means. The failure site was located at 98 feet in depth, within this range, and was at one point, covered in concrete. We hope the investigation tells us when the concrete cover was disturbed and broken and whether that was related to the pipe's failure. Unfortunately, this PHMSA regulation only applies at the time of construction and installation. There is no requirement that any particular depth or concrete protection be maintained over the life of the pipeline. We hope to see regulations updated to require ongoing maintenance of depth or protection.

Improvements to spill response plan requirements have been a priority of the Pipeline Safety Trust for years. These plans are kept mostly hidden from outside input and scrutiny. Amplify had a spill response plan in place that had been approved by PHMSA. We don't yet have enough information to know how closely they followed that plan. However, there are some improvements to state laws to be made here. This is an area I believe California could use its Federal Oil Pollution Act authority. For example, California could require a public comment period on spill plans – Washington State has done this. That would allow the public, local

governments, and other agencies to know if an operator has properly identified sensitive areas and is adequately prepared to protect them and whether the response resources are adequate and available in a timely manner. Federal regulators reviewing spill plans do not have the kind of local knowledge that is imperative in determining the adequacy of a spill response plan.

As far as inspections, according to media reports, Amplify conducted an in-line inspection in 2019 and two of the identified eight anomalies had been repaired before the October failure. We do not yet have information as to whether the failure site corresponds to one of the identified anomalies. The PHMSA integrity management rules that apply to this line would require an assessment once every 5 years. We believe that California could, as part of its oil spill prevention laws, require more frequent assessments of whether the pipeline has moved on the bottom of the ocean from various causes.

Congress amended the pipeline safety statutes in 2016 to require annual internal inspections, plus pipeline route surveys and other assessments on a risk-adjusted schedule on certain underwater pipelines, however it does not apply to offshore pipe. The California legislature could adopt new legislation extending these requirements to intrastate offshore lines under the jurisdiction of the Office of the State Fire Marshall and work with your Congressional delegation to extend them to all underwater pipelines.

PHMSA's Corrective Action Order stated that Amplify observed a low-pressure alarm on its SCADA system several hours before they notified the National Response Center of a spill. Like many operators, the only leak detection system that Amplify has is pressure sensors as part of its SCADA system. All that PHMSA regulations require is that an operator have some kind of leak detection system; there are no performance measures as to how sensitive, accurate, reliable, or robust that system should be. Alaska has, under its oil spill prevention laws, adopted performance standards for its pipelines and California could work with Alaska as part of The Pacific States – British Columbia Oil Spill Task Force to craft new protective language based on how Alaska has accomplished this.

I thank you for the opportunity to provide this testimony today, and I am always available to answer any additional questions you might have and to work with you further as you find ways to keep your beautiful state, including your treasured coastline, safer from pipeline failures.