

Swift Code: ALYIUS33SER Name: Clay Emma Sutton

Mr. Chairman, Members of the Committee, my name is Tim Felt. I am President and CEO of Explorer Pipeline Company, headquartered in Tulsa, Oklahoma. Explorer operates 1,400 miles of petroleum products pipeline serving 16 states extending from the Gulf Coast throughout the mid-western United States.

I am a member of the API Pipeline Committee, vice-chairman and treasurer elect of the Association of Oil Pipe Lines, and the oil pipeline industry's board member for the Common Ground Alliance, a voluntary, private sector organization dedicated to the prevention of excavation damage to underground facilities. I appreciate the opportunity to appear today on behalf of API and AOPL. Together, API and AOPL represent the companies responsible for the vast majority of U.S. oil pipeline transportation.

Summary

As the Committee reviews the current state of pipeline safety and the progress that has been made since the 2002 Act, these are the main points I would like to emphasize:

- We need to enact pipeline safety reauthorization legislation before the end of this Congress. A lot of work has gone into the current bills, and

there are no major disagreements about what a compromise among the various bills should look like. Let's get a good bill passed now.

- The Pipeline Safety Improvement Act of 2002 is a success. Industry and DOT have cooperated to achieve significant improvement in pipeline safety, and this improvement is demonstrated by our industry's record. This record is reflected on the charts that accompany my testimony.
- The oil pipeline industry is making the investments needed to fully comply with the law and related regulations and in many cases to exceed their requirements. We plan to invest over \$1 billion in pipeline safety improvements over the next five years. Because of this, it is very important that Congress reauthorize the DOT pipeline safety program in 2006. Reauthorization sends a clear signal that these investments are appropriate, and DOT is on the right track in implementing the 2002 Act.
- In addition, several billions of dollars of investments in new oil pipeline infrastructure are underway or planned in the near term. Certainty in the safety requirements this infrastructure must meet is very important for these investments.
- The Administration, the jurisdictional committees of the House and Senate, the industry and the pipeline advocates are in virtual

agreement on the core provisions of a compromise reauthorization bill that could be passed in 2006. Passage of a bill before final congressional adjournment is our shared goal.

- If this Congress passes a reauthorization bill, the protections provided by this compromise will be available now. If this Congress fails to pass a bill, a subsequent Congress must start over to adopt new legislation approving the needed authority. That could take months or years. Congress can act now and should act now.

We urge you to act promptly to reconcile any differences between the Senate bill, S. 3961, and the bills approved by the House Committees and send a compromise bill to the President this year.