

AMENDED IN ASSEMBLY MARCH 21, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 1694

Introduced by Assembly Member Fuentes

February 15, 2012

An act to amend Sections 4353 and 4453 of the Public Utilities Code, relating to gas pipeline safety.

LEGISLATIVE COUNSEL'S DIGEST

AB 1694, as amended, Fuentes. Gas pipeline safety inspections.

Existing law requires the Public Utilities Commission to undertake a gas safety inspection and enforcement program for mobilehome parks with distribution systems to ensure compliance with the federal pipeline standards, as defined, by propane operators within the state. Existing law requires that the commission conduct an initial inspection, and, if the operator demonstrates compliance, to inspect the system every 5 years.

This bill would require that if the operator demonstrates compliance with the initial inspection, additional inspections be made pursuant to a risk-based inspection schedule adopted by the commission.

Existing law requires the Public Utilities Commission to undertake a propane safety inspection and enforcement program for propane distribution systems to ensure compliance with the federal pipeline standards, as defined, by propane operators within the state. Existing law requires that the commission conduct an initial inspection, and, if the operator demonstrates compliance, inspect the system once every 5 years for distribution systems with less than 100 customers, once every 3 years for distribution systems with 100 or more but less than

200 customers, and once every 2 years for distribution systems with 200 or more customers.

This bill would require that if the operator demonstrates compliance with the initial inspection, additional inspections be made *at least once every 10 years* pursuant to a risk-based inspection schedule adopted by the commission.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 4353 of the Public Utilities Code is
2 amended to read:

3 4353. (a) The commission shall conduct an initial inspection
4 of each distribution system which shall take place on the
5 mobilehome park premises. The inspection shall consist of all of
6 the following:

7 (1) An inspection of the adequacy of the operator’s operation
8 and maintenance plan.

9 (2) The information contained in the required annual report.

10 (3) The records of leak surveys and repairs, corrosion control,
11 and cathodic protection of the system.

12 (4) If deemed appropriate from the review of the records, a
13 physical inspection of the mobilehome park’s distribution system
14 to ensure compliance with the federal law; the applicable sections
15 of Commission General Order 112 relating to mobilehome park
16 distribution systems, excluding the sections relating to gas
17 transmission facilities, LNG facilities, and gathering lines; and
18 any rules and orders adopted by the commission pursuant to this
19 chapter.

20 (b) If the operator demonstrates compliance pursuant to
21 subdivision (a), the distribution system shall thereafter be inspected
22 pursuant to a risk-based inspection schedule adopted by the
23 commission. The subsequent inspections shall consist of the
24 elements specified in subdivision (a). However, the commission
25 may institute an inspection at any time if it determines, following
26 a review of a subsequent annual report or receipt of a complaint,
27 that an additional inspection is necessary.

28 (c) If the operator does not demonstrate compliance pursuant
29 to subdivision (a), the distribution system may be inspected on an

1 annual basis until such time as there is compliance and, thereafter,
2 shall be inspected as specified in subdivision (b).

3 (d) If upon the initial inspection or any subsequent inspection,
4 the commission determines the presence of a gas leak or other
5 safety hazard in the distribution system which poses a significant
6 or immediate danger to the health and safety of the park residents,
7 the distribution system may be inspected more frequently until the
8 condition is corrected. Once corrected, the park shall be inspected
9 as specified in subdivision (b).

10 (e) The commission may require an operator to provide
11 necessary assistance to commission inspectors in entering and
12 inspecting the mobilehome park, including, but not limited to:

13 (1) Allowing commission inspectors entry to mobilehome park
14 premises.

15 (2) Having, upon notice, the necessary records specified in
16 subdivision (a) available for the commission inspector's review
17 during the physical inspection.

18 (3) Assisting in surveying or uncovering portions of a
19 distribution system for purposes of inspection, verification, and
20 testing.

21 (f) It shall be a violation for a mobilehome park operator to
22 willfully obstruct a commission inspector's access, entry, or
23 inspection of a mobilehome park.

24 (g) The commission may enforce subdivision (f) by issuing a
25 citation in the manner specified in subdivision (b) of Section 4357
26 and shall notify the United States Department of Transportation,
27 the department or local enforcement agency, the utility serving the
28 distribution system, and the operator of any ~~the~~ citation issued
29 pursuant to subdivision (f) of Section 4353.

30 SEC. 2. Section 4453 of the Public Utilities Code is amended
31 to read:

32 4453. (a) The commission shall conduct an initial inspection
33 of each distribution system which shall take place on the premises.
34 The inspection shall determine if the distribution system falls under
35 the commission's safety program pursuant to paragraph (2) of
36 subdivision (c) of Section 4452. If it is determined that it does not,
37 then the inspection shall be terminated immediately. Otherwise,
38 the inspection, and all followup inspections, shall consist of all of
39 the following:

- 1 (1) A review of the adequacy of the operator’s operation and
2 maintenance plan, emergency plan, and system map or maps.
- 3 (2) Evaluation of the information contained in the required
4 annual report.
- 5 (3) A review of the records of leak surveys and repairs, corrosion
6 control, and cathodic protection of the system.
- 7 (4) If deemed appropriate from the review of the records, a
8 physical inspection of the propane distribution system to ensure
9 compliance with the federal law, the applicable sections of General
10 Order 112 relating to the distribution system, NFPA 58, and any
11 rules and orders adopted by the commission pursuant to this
12 chapter.
- 13 (b) If the operator demonstrates compliance pursuant to
14 subdivision (a), the distribution system shall thereafter be inspected
15 *at least once every 10 years* pursuant to a risk-based inspection
16 schedule adopted by the commission. The subsequent inspections
17 shall consist of the elements specified in subdivision (a). However,
18 the commission may institute an inspection for a distribution
19 system of any size, at any time, if it determines, following a review
20 of a subsequent annual report or receipt of a complaint, that an
21 additional inspection is necessary.
- 22 (c) If the operator does not demonstrate compliance pursuant
23 to subdivision (a), the distribution system may be inspected on an
24 annual basis until such time as there is compliance, and thereafter,
25 shall be inspected as specified in subdivision (b).
- 26 (d) If upon the initial inspection or any subsequent inspection,
27 the commission determines the presence of a propane leak or other
28 safety hazard in the distribution system that poses a significant or
29 immediate danger to the health and safety of the customers, the
30 distribution system may be inspected more frequently until the
31 condition is corrected. Once corrected, the distribution system
32 shall be inspected as specified in subdivision (b).
- 33 (e) The commission may require an operator to provide
34 necessary assistance to commission inspectors in entering and
35 inspecting the distribution systems, including, but not limited to:
36 (1) Allowing commission inspectors entry to the premises.
37 (2) Having, upon notice, the necessary records specified in
38 subdivision (a) available for the commission inspector’s review
39 during the physical inspection.

1 (3) Assisting in surveying or uncovering portions of *the*
2 ~~distribution system~~ *systems* for purposes of inspection, verification,
3 and testing.

4 (f) It shall be a violation for an operator to willfully obstruct a
5 commission inspector's access, entry, or inspection of a distribution
6 system or to remove a warning tag placed on the operator's tank
7 by a commission inspector pursuant to subdivision (b) of Section
8 4456.

9 (g) The commission may enforce subdivision (f) by issuing a
10 citation in the manner specified in subdivision (b) of Section 4457,
11 and shall notify the department or local enforcement agency, the
12 supplier serving the distribution system, the State Fire Marshal,
13 local fire districts, and the operator of any citation issued pursuant
14 to this subdivision.

15 (h) If the commission determined, upon inspection or a receipt
16 of a complaint or disclosure, that a distribution system pursuant
17 to paragraph (2) of subdivision (c) of Section 4452 is serving more
18 than nine customers, or if any portion of the system is located in
19 a public place, then the distribution system shall be subject to the
20 commission's safety program as set forth in this chapter.