

AMENDED IN ASSEMBLY AUGUST 26, 2011

AMENDED IN ASSEMBLY JULY 5, 2011

AMENDED IN SENATE APRIL 25, 2011

AMENDED IN SENATE MARCH 29, 2011

SENATE BILL

No. 44

Introduced by Senator Corbett

(Principal coauthor: Assembly Member Hill)

December 8, 2010

An act to add Chapter 4.5 (commencing with Section 950) to Part 1 of Division 1 of the Public Utilities Code, relating to public utilities.

LEGISLATIVE COUNSEL'S DIGEST

SB 44, as amended, Corbett. Public utilities: gas pipeline emergency response standards.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities. The Public Utilities Act authorizes the commission to ascertain and fix just and reasonable standards, classifications, regulations, practices, measurements, or services to be furnished, imposed, observed, and followed by specified public utilities, including gas corporations, as defined.

Existing federal law requires the United States Department of Transportation Pipeline and Hazardous Materials Safety Administration (PHMSA) to adopt minimum safety standards for pipeline transportation and for pipeline facilities, including an interstate gas pipeline facility and an intrastate gas pipeline facility, as defined. Existing law authorizes the United States Secretary of Transportation to prescribe or enforce safety standards and practices for an intrastate pipeline facility or intrastate pipeline transportation to the extent that the safety standards

and practices are regulated by a state authority that annually submits to the secretary a certification for the facilities and transportation or, alternatively, authorizes the secretary to make an agreement with a state authority authorizing it to take necessary action to meet certain pipeline safety requirements. Existing federal law prohibits a state authority from adopting or continuing in force safety standards for interstate pipeline facilities or interstate pipeline transportation, but permits a state authority that has submitted a specified certification to adopt additional or more stringent safety standards for intrastate pipeline facilities and intrastate pipeline transportation only if those standards are compatible with the minimum standards prescribed by PHMSA.

This bill would designate the commission as the state authority responsible for regulating and enforcing intrastate gas pipeline transportation and pipeline facilities pursuant to federal law, including the development, submission, and administration of a state pipeline safety program certification for natural gas pipelines. The bill would require the commission, by July 1, 2012, to open an appropriate proceeding or expand the scope of an existing proceeding to establish compatible emergency response standards, as defined, that owners or operators of certain commission-regulated gas pipeline facilities, as defined, would be required to follow. The standards would require owners or operators of intrastate transmission and distribution lines to implement emergency response plans, with specified requirements, that are compatible with PHMSA's regulations concerning emergency plans. The bill would require the owners of intrastate transmission lines to provide the State Fire Marshal and the chief fire official of the applicable local government with instructions on how to access and utilize the National Pipeline Mapping System developed by PHMSA to improve local response capabilities for pipeline emergencies. The bill would require the commission to report to the Legislature on the status of establishing the compatible emergency response standards on or before January 1, 2013.

Under existing law, a violation of the Public Utilities Act or any order, decision, rule, direction, demand, or requirement of the commission is a crime.

Because the provisions of this bill are within the act and require action by the commission to implement its requirements, a violation of these provisions would impose a state-mandated local program by creating a new crime.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

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

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

1 SECTION 1. Chapter 4.5 (commencing with Section 950) is
2 added to Part 1 of Division 1 of the Public Utilities Code, to read:

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CHAPTER 4.5. GAS PIPELINE SAFETY

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Article 1. General

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950. For purposes of this chapter, the following terms have the following meanings:

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(a) "Commission-regulated gas pipeline facility" means an intrastate gas pipeline facility as defined in Section 60101 of Title 49 of the United States Code, that is subject to the safety regulatory authority of the commission to the extent authorized in the certification submitted by the commission and approved by the United States Secretary of Transportation pursuant to Section 60105 of Title 49 of the United States Code, including each of the following pipelines:

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(1) An intrastate distribution line, which is a pipeline that is not subject to the jurisdiction of the Federal Energy Regulatory Commission pursuant to Section 717(b) of Title 15 of the United States Code because it is used for the local distribution of natural gas.

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(2) An intrastate transmission line, which is a transmission pipeline that the commission, pursuant to Section 717(c) of Title 15 of the United States Code, has certified to the Federal Energy Regulatory Commission as being subject to the regulatory jurisdiction of the commission over rates and service. For these purposes, a transmission pipeline means a pipeline other than a gathering line that: (A) transports gas from a gathering line or storage facility to a distribution center, storage facility, or large

1 volume customer that is not downstream from a distribution center,
 2 (B) operates at a hoop stress of 20 percent or more of specified
 3 ~~maximum~~ *minimum* yield strength, or (C) transports gas within a
 4 storage field.

5 (3) An intrastate gathering line, which is a pipeline that
 6 transports gas from a current production facility to a transmission
 7 line or main.

8 (4) A mobilehome park master-metered natural gas distribution
 9 system that is subject to the commission’s safety inspection and
 10 enforcement program pursuant to Chapter 4 (commencing with
 11 Section 4351) of Division 2.

12 (5) A propane distribution system that is subject to the
 13 commission’s safety inspection and enforcement program pursuant
 14 to Chapter 4.1 (commencing with Section 4451) of Division 2.

15 (b) “Compatible emergency response standards” means
 16 emergency response standards that are applicable to intrastate
 17 transmission and distribution lines that are in addition to, or more
 18 stringent than, the minimum safety standards adopted by the United
 19 States Department of Transportation pursuant to Chapter 601
 20 (commencing with Section 60101) of Subtitle VIII of Title 49 of
 21 the United States Code and that the commission is authorized to
 22 adopt pursuant to Section 60104(c) of that chapter.

23 (c) *“High consequence area” has the same meaning as defined*
 24 *in the regulations adopted by the United States Department of*
 25 *Transportation pursuant to Chapter 601 (commencing with Section*
 26 *60101) of Subtitle VIII of Title 49 of the United States Code (49*
 27 *C.F.R. 192.903, as adopted January 1, 2011, or a successor*
 28 *regulation).*

29 950.5. *This chapter shall not apply to gas pipeline facilities*
 30 *owned and operated by a local publicly owned utility.*

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32 Article 2. Natural Gas Pipeline Safety Act of 2011

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34 955. (a) This article shall be known and may be cited as the
 35 Natural Gas Pipeline Safety Act of 2011.

36 (b) The commission is the state authority responsible for
 37 regulating and enforcing intrastate gas pipeline transportation and
 38 pipeline facilities pursuant to Chapter 601 (commencing with
 39 Section 60101) of Subtitle VIII of Title 49 of the United States
 40 Code, including the development, submission, and administration

1 of a state pipeline safety program certification for natural gas
2 pipelines pursuant to Section 60105 of that chapter.

3 956. (a) On or before July 1, 2012, the commission shall open
4 an appropriate proceeding or expand the scope of an existing
5 proceeding to establish compatible emergency response standards
6 that owners or operators of commission-regulated gas pipeline
7 facilities shall be required to follow for intrastate transmission and
8 distribution lines. The commission shall establish the standards to
9 ensure that intrastate transmission and distribution lines have
10 emergency response plans that adequately prepare them for a
11 natural disaster or malfunction that could cause injury to human
12 life or property, with the purpose of minimizing the occurrence of
13 both.

14 (b) The commission shall establish the compatible emergency
15 response standards in consultation with the California Emergency
16 Management Agency, the State Fire Marshal, and members of
17 California’s first responder community including, but not limited
18 to, members of the California Fire Chiefs Association.

19 (c) The compatible emergency response standards shall require
20 owners or operators of intrastate transmission and distribution lines
21 to implement emergency response plans that are compatible with
22 the United States Department of Transportation Pipeline and
23 Hazardous Materials Safety Administration’s regulations
24 concerning emergency plans contained in ~~Title 49 of Section~~
25 ~~192.615~~ *Section 192.615 of Title 49* of the Code of Federal
26 Regulations, and those plans shall include, but not be limited to,
27 all of the following requirements:

28 (1) Emergency shutdown and pressure reduction shall be utilized
29 whenever deemed necessary and appropriate by the owners or
30 operators to minimize hazards to life or property. An owner or
31 operator shall notify appropriate first responders of emergency
32 shutdown and pressure reduction.

33 (2) During an emergency response effort, the incident
34 commander may direct coordination between first responders and
35 owners or operators to ensure timely and ongoing communication
36 on decisions for emergency shutdown and pressure reduction.

37 (3) Owners or operators of intrastate transmission and
38 distribution lines shall establish and maintain liaison with
39 appropriate fire, police, and other public officials to do all of the
40 following:

1 (A) Learn the responsibility and resources of each government
2 organization that may respond to a gas pipeline emergency,
3 including, but not limited to, the role of the incident commander
4 in an emergency.

5 (B) Acquaint the officials with the owner's or operator's ability
6 in responding to a gas pipeline emergency.

7 (C) Identify the types of gas pipeline emergencies of which the
8 owner or operator notifies the officials.

9 (D) Plan how the owner or operator and officials can engage in
10 mutual assistance to minimize hazards to life or property.

11 (E) Identify and update information on individual personnel
12 responsible for the liaison with the appropriate first responder
13 organizations.

14 ~~(F) Make the owner or operator available, at least once each~~
15 ~~calendar year, to meet with the local fire department having fire~~
16 ~~suppression responsibilities to discuss and review contingency~~
17 ~~plans for emergencies involving the intrastate transmission and~~
18 ~~distribution lines within the jurisdiction of the local fire department.~~

19 (4) Owners and operators of intrastate transmission lines shall
20 provide the State Fire Marshal and the chief fire official of the
21 applicable city, county, city and county, or fire protection district
22 with instructions on how to access and utilize the National Pipeline
23 Mapping System developed by the United States Department of
24 Transportation, Pipeline and Hazardous Materials Safety
25 Administration, utilizing data submitted pursuant to Section 60132
26 of Title 49 of the United States Code, to improve local response
27 capabilities for pipeline emergencies.

28 (d) (1) The commission shall report to the Legislature on the
29 status of establishing the compatible emergency response standards
30 on or before January 1, 2013.

31 (2) A report to be submitted pursuant to paragraph (1) shall be
32 submitted in compliance with Section 9795 of the Government
33 Code.

34 SEC. 2. No reimbursement is required by this act pursuant to
35 Section 6 of Article XIII B of the California Constitution because
36 the only costs that may be incurred by a local agency or school
37 district will be incurred because this act creates a new crime or
38 infraction, eliminates a crime or infraction, or changes the penalty
39 for a crime or infraction, within the meaning of Section 17556 of
40 the Government Code, or changes the definition of a crime within

1 the meaning of Section 6 of Article XIII B of the California
2 Constitution.

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