

Senate Bill No. 44

Passed the Senate September 1, 2011

Secretary of the Senate

Passed the Assembly August 31, 2011

Chief Clerk of the Assembly

This bill was received by the Governor this _____ day
of _____, 2011, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

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, 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.

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

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

CHAPTER 4.5. GAS PIPELINE SAFETY

Article 1. General

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

(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:

(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.

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

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

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

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

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

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

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

Article 2. Natural Gas Pipeline Safety Act of 2011

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

(b) The commission is the state authority responsible for regulating and enforcing intrastate gas pipeline transportation and pipeline facilities pursuant to Chapter 601 (commencing with Section 60101) of Subtitle VIII of Title 49 of the United States Code, including the development, submission, and administration of a state pipeline safety program certification for natural gas pipelines pursuant to Section 60105 of that chapter.

956. (a) On or before July 1, 2012, the commission shall open an appropriate proceeding or expand the scope of an existing proceeding to establish compatible emergency response standards that owners or operators of commission-regulated gas pipeline facilities shall be required to follow for intrastate transmission and distribution lines. The commission shall establish the standards to ensure that intrastate transmission and distribution lines have emergency response plans that adequately prepare them for a natural disaster or malfunction that could cause injury to human

life or property, with the purpose of minimizing the occurrence of both.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Approved _____, 2011

Governor