

Introduced by Senator De LeónFebruary 19, 2016

An act to amend Section 957 of the Public Utilities Code, relating to oil and gas.

LEGISLATIVE COUNSEL'S DIGEST

SB 1393, as introduced, De León. Intrastate transmission line: safety valves.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including gas corporations, as defined. 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.

Existing law requires the commission, unless it determines that doing so is preempted under federal law, to require the installation of automatic shutoff or remote controlled sectionalized block valves on certain intrastate transmission lines that are located in a high consequence area, as defined, or that traverse an active seismic earthquake fault. Existing law requires the owner or operator of a commission-regulated gas pipeline facility that is an intrastate transmission line to provide the commission with a valve location plan, along with any recommendations for valve locations, and authorizes the commission to make modifications to the valve location plan. 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.

This bill would additionally require the commission, unless it determines that doing so is preempted under federal law, to require the installation of automatic shutoff or remote controlled sectionalized

block valves on intrastate transmission lines that transport gas to or from a storage facility. Because the provisions of this bill would be a part of the act and because a violation of an order or decision of the commission implementing its requirements would be a crime, the bill 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. Section 957 of the Public Utilities Code is
 2 amended to read:
 3 957. (a) (1) Unless the commission determines that it is
 4 prohibited from doing so by subdivision (c) of Section 60104 of
 5 Title 49 of the United States Code, the commission shall require
 6 the installation of automatic shutoff or remote controlled
 7 sectionalized block valves on ~~both~~ *all* of the following facilities,
 8 if it determines those valves are necessary for the protection of the
 9 public:
 10 (A) Intrastate transmission lines that are located in a high
 11 consequence area.
 12 (B) Intrastate transmission lines that traverse an active seismic
 13 earthquake fault.
 14 (C) *Intrastate transmission lines that transport gas to or from*
 15 *a storage facility.*
 16 (2) Each owner or operator of a commission-regulated gas
 17 pipeline facility that is an intrastate transmission line shall provide
 18 the commission with a valve location plan, along with any
 19 recommendations for valve locations. The commission may make
 20 modifications to the valve location plan or provide for variations
 21 from any location requirements adopted by the commission
 22 pursuant to this section that it deems necessary or appropriate and
 23 consistent with protection of the public.
 24 (3) The commission shall additionally establish action timelines,
 25 adopt standards for how to prioritize installation of automatic

1 shutoff or remote controlled sectionalized block valves pursuant
2 to paragraph (1), ensure that remote and automatic shutoff valves
3 are installed as quickly as is reasonably possible, and establish
4 ongoing procedures for monitoring progress in achieving the
5 requirements of this section.

6 (b) The commission shall authorize recovery in rates for all
7 reasonably incurred costs incurred for implementation of the
8 requirements of this section.

9 (c) The commission, in consultation with the Pipeline and
10 Hazardous Materials Safety Administration of the United States
11 Department of Transportation, shall adopt and enforce compatible
12 safety standards for commission-regulated gas pipeline facilities
13 that the commission determines should be adopted to implement
14 the requirements of this section.

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