

AMENDED IN ASSEMBLY APRIL 17, 1995
AMENDED IN ASSEMBLY MARCH 22, 1995

CALIFORNIA LEGISLATURE—1995–96 REGULAR SESSION

ASSEMBLY BILL

No. 349

Introduced by Assembly Member Escutia

February 10, 1995

An act to add Sections 51012.4 and 51017 to the Government Code, relating to pipeline safety.

LEGISLATIVE COUNSEL'S DIGEST

AB 349, as amended, Escutia. Hazardous liquid pipelines: centralized data base.

(1) Existing law requires the State Fire Marshal to establish and maintain a centralized data base on specified intrastate hazardous liquid pipelines. An operator of a pipeline used for the transportation of hazardous liquid substances is required to conform the pipeline with specified federal regulations adopted pursuant to the federal Hazardous Liquid Pipeline Safety Act with regard to installing cathodic protection. A knowing and willful violation of the state provisions governing hazardous liquid pipelines is a crime.

This bill would make a statement of legislative intent concerning the report by the State Fire Marshal on hazardous liquid pipeline risk assessment. The bill would require every operator of a pipeline to file with the State Fire Marshal a schedule for the *improvement or* replacement of aging pipelines, in accordance with specified deadlines, including

by July 1, 1996, for pipelines built before January 1, 1940; by July 1, 1997, for pipelines built before January 1, 1960; and by July 1, 1998, for pipelines built on and after January 1, 1960, which meet specified conditions.

The bill would require the State Fire Marshal to review a schedule submitted by the pipeline operator and to submit written comments to the operator within 90 days of receiving a schedule, and would require the operator to submit a final schedule within 90 days of receiving the State Fire Marshal's comments.

Since a violation of the requirement to submit a schedule would be a crime, the bill would impose a state-mandated local program.

The bill would require the State Fire Marshal, in coordination with specified state agencies, to develop a plan for ~~collecting pipeline data~~ *developing a comprehensive data base of pipeline information that would be available on compatible, interactive computer forms and for centralizing that data base.* The State Fire Marshal would be required to report to the Legislature by September 1, 1996, concerning implementation of the data base.

(2) 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. The Legislature hereby finds and
2 declares all of the following:

3 (a) In the past several years, pipeline spills in
4 California have posed safety hazards to local populations
5 and seriously degraded the environment. ~~—These~~
6 ~~incidents include the recently discovered spill at the~~
7 ~~UNOCAL Guadalupe oil fields, the 1994 rupture of the~~
8 ~~Santa Clara pipeline during the Northridge earthquake~~



1 ~~which polluted 17 miles of the Santa Clara River in Los~~
2 ~~Angeles County, the 1994 Arco/Four Corners Grapevine~~
3 ~~spill that involved 260,000 gallons of petroleum product,~~
4 ~~various Ventura County spills from pipelines owned by~~
5 ~~Texaco Exploration Company, the 1994 Santa Fe Pacific~~
6 ~~pipeline rupture that released petroleum product into~~
7 ~~the Carquinez Strait, and the 1993 Fort Tejon pipeline~~
8 ~~spill of 100,000 gallons of crude oil.~~

9 (b) The State Fire Marshal's Hazardous Liquid
10 Pipeline Risk Assessment report published in 1993 found
11 that the leading cause of hazardous liquid pipeline leaks
12 during the period January 1981 through December 1990
13 was external corrosion, causing 58.8 percent of all leaks.
14 The State Fire Marshal's report also found a significant
15 correlation between the age of a pipeline and the degree
16 to which it experiences external corrosion and leaks.

17 (c) According to the State Fire Marshal's report,
18 pipelines constructed before 1940 leaked at a rate nearly
19 20 times that of pipelines constructed in the 1980's. Two
20 factors that contribute to the high-leak incidence rate in
21 older pipes, especially those constructed before 1940, are
22 the older coatings on the pipelines and the higher
23 operating temperatures. For example, pre-1940 pipelines
24 operated at an average temperature of 125°F, higher than
25 the average operating temperature for pipelines
26 constructed during any other period.

27 (d) The State Fire Marshal's report also found all of the
28 following:

29 (1) Pipelines within standard metropolitan statistical
30 areas (SMSA) had a higher external corrosion incident
31 rate than pipelines in non-SMSAs.

32 (2) Pipelines without cathodic protection, or with
33 inadequate, older coatings, had a drastically higher
34 frequency of external corrosion-caused leaks than
35 protected leaks.

36 (3) Somewhere between 13 and 29 incidents caused by
37 seismic activity are anticipated on regulated California
38 hazardous liquid pipelines during a *future* 30-year period.

39 (e) Existing statutory requirements for hydrostatic
40 pressure testing on some pipelines are helpful in locating



1 leaks, but inadequate as a preventative measure to detect
2 external corrosion that will eventually cause leakage.

3 (f) A recent investigation of pipeline regulatory
4 programs by the Department of Fish and Game and the
5 Office of Oil Spill Prevention and Response found that
6 the lack of complete and easily accessible ~~infrastructure~~
7 *pipeline* information frustrated oil spill response efforts.

8 (g) Therefore, it is essential for the protection of
9 public health and safety and the environment to develop
10 a statewide plan for the *improvement or* replacement of
11 older pipelines that are more susceptible to corrosion and
12 leakage, and to centralize information on ~~pipeline~~
13 ~~infrastructure~~ *pipelines* to aid in spill prevention
14 planning and response efforts.

15 SEC. 2. Section 51012.4 is added to the Government
16 Code, to read:

17 51012.4. (a) Notwithstanding any other provision of
18 this chapter, including, but not limited to, Section 51012.3,
19 each pipeline operator shall file with the State Fire
20 Marshal a schedule for the *improvement or* replacement
21 of any aging pipeline operated by that operator in
22 accordance with the following deadlines:

23 (1) On or before July 1, 1996, a schedule for the
24 *improvement or* replacement of any pipeline built before
25 January 1, 1940, giving priority to the early *improvement*
26 *or* replacement of pipelines located in densely populated
27 areas, pipelines with a high-leak history, and pipelines
28 located near existing seismic fault lines or in areas with
29 identified ground deformation.

30 (2) On or before July 1, 1997, a schedule for the
31 *improvement or* replacement of pipelines and pipeline
32 segments built before January 1, 1960, giving priority to
33 the early *improvement or* replacement of pipelines
34 located in densely populated areas, pipelines with a
35 high-leak history, pipelines with inadequate or no
36 cathodic protection, and pipelines located near existing
37 seismic fault lines or in areas with identified ground
38 deformation.

39 (3) On or before July 1, 1998, a schedule for the
40 *improvement or* replacement of pipelines installed on



1 and after January 1, 1960, for which regular internal
2 inspections cannot be conducted, or pipelines that show
3 diminished integrity due to corrosion or inadequate
4 cathodic protection.

5 (b) Within 90 days of the receipt of a schedule
6 submitted by a pipeline operator pursuant to subdivision
7 (a), the State Fire Marshal shall review the schedule and
8 submit written comments to the operator, including any
9 suggested modifications to improve coordination and
10 effectiveness of *improvement or* replacement plans. The
11 operator shall evaluate the State Fire Marshal's
12 comments and submit a final schedule within 90 days of
13 receipt of the State Fire Marshal's comments.

14 (c) Following submission of a final pipeline
15 *improvement or* replacement schedule pursuant to
16 subdivision (b), the pipeline operator shall report to the
17 State Fire Marshal every two years from the date of
18 submission of the final schedule with regard to the
19 progress made toward implementing the pipeline
20 *improvement or* replacement plan.

21 (d) *A pipeline improvement or replacement schedule*
22 *developed pursuant to this section may incorporate any*
23 *information on regulatory requirements or existing*
24 *public policies that could act as barriers to the*
25 *replacement or improvement of pipelines, including, but*
26 *not limited to, findings from the studies required*
27 *pursuant to Section 51015.05, that the operator believes*
28 *are required to be addressed to facilitate improvement*
29 *and replacement plans.*

30 SEC. 3. Section 51017 is added to the Government
31 Code, to read:

32 51017. (a) The State Fire Marshal, in coordination
33 with the State Lands Commission, the Division of Oil,
34 Gas, and Geothermal Resources of the Department of
35 Conservation, the State Water Resources Control Board,
36 the Office of Oil Spill Prevention and Response, and the
37 Office of Emergency Services, shall develop a plan for
38 ~~collecting pipeline data, including pipeline infrastructure~~
39 ~~information,~~ *developing a comprehensive data base of*
40 *pipeline information that would be available on*



1 compatible, interactive computer formats, and for
2 centralizing that data base in one agency for emergency
3 response purposes. The data shall include information on
4 pipeline locations, age, reported leak incidences, and
5 inspection history.

6 (b) On or before September 1, 1996, the State Fire
7 Marshal shall report to the Legislature on projected costs
8 and potential funding sources for implementation of the
9 plan for a centralized computer data base for pipeline
10 information developed pursuant to subdivision (a).

11 SEC. 4. No reimbursement is required by this act
12 pursuant to Section 6 of Article XIII B of the California
13 Constitution because the only costs that may be incurred
14 by a local agency or school district will be incurred
15 because this act creates a new crime or infraction,
16 eliminates a crime or infraction, or changes the penalty
17 for a crime or infraction, within the meaning of Section
18 17556 of the Government Code, or changes the definition
19 of a crime within the meaning of Section 6 of Article
20 XIII B of the California Constitution.

21 Notwithstanding Section 17580 of the Government
22 Code, unless otherwise specified, the provisions of this act
23 shall become operative on the same date that the act
24 takes effect pursuant to the California Constitution.

