



Dates of Interest

May 2015

- 29 Comments Due on PHMSA [Information Collection](#) re hazardous liquid accident reporting

June 2015

- 8 Comments Due on [PHMSA Public Workshop](#) on API RP 1173
- 9-11 [SGA Integrity Management for Gas Pipelines](#), Houston, TX
- 22-26 [NAPSR Central Region Meeting](#), Bismarck, ND
- 29 Comments Due on PHMSA [Information Collection](#) re hazardous liquid annual reporting

July 2015

- 12-15 [NARUC Summer Committee Meetings](#), New York, NY
- 20-22 [SGA Operating Conference](#), Nashville, TN
- 26-29 [APGA Annual Conference](#), Broomfield, CO
- 31 Comments Due on Plastic Pipe [NPRM](#)

August 2015

- 3-7 [NAPSR Southwest Region Meeting](#), Fort Worth, TX
- 11-13 [Midwest Energy Association Gas Operations Technical & Leadership Summit](#), Rochester, MN
- 31-9/1 [NAPSR National Meeting](#), Tempe, AZ

Pipeline Safety Update

ISSUE NO. 97 – MAY 28, 2015

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PHMSA issues notice of proposed rulemaking on plastic pipe. DOT's Office of Inspector General initiates audit of PHMSA. PHMSA rulemaking update. Proposed gas transmission rule sent to OMB. PHMSA revises LNG user fees. PHMSA seeks comments on revised information collections regarding hazardous liquid accident reporting and annual reporting. Select updates from Canada and the states.

PHMSA Issues Notice of Proposed Rulemaking on Plastic Pipe

On May 21, the Pipeline and Hazardous Materials Safety Administration (PHMSA) published a [notice of proposed rulemaking](#) (NPRM) to amend the gas pipeline safety regulations related to plastic pipe. Many of the proposed changes are in response to petitions for rulemaking on this topic. Comments are due no later than July 31, 2015. Notably, the proposal does not include provisions related to composite pipe.

The proposed amendments would address the following issues:

- **Traceability and tracking:** PHMSA would require that specification and traceability markings on plastic pipe be legible, visible, and permanent in accordance with the pipe's listed specification. To accomplish that objective, PHMSA would add definitions of "traceability information" and "tracking information" and require operators to implement tracking and traceability requirements in ASTM F2897-11a, an industry standard for tracking and traceability of piping in gas distribution systems. The proposed amendments also would require that operators maintain tracking and traceability information records for the life of the pipeline.
- **Design factor of polyethylene pipe:** Based on research and technical justifications provided by the Gas Technology Institute, PHMSA would increase the allowable design factor for polyethylene pipe from .32 to .40.
- **Expanded use of Polyamide-11 (PA-11) material:** PHMSA would increase the allowable pressure for PA-11 pipe from 200 psi to 250 psi for diameters up to 6-inches. PHMSA also would incorporate by reference an industry standard for PA-11 pipe, ASTM F2945-12a, and other modern industry standards for PA-11 and PA-12.
- **Incorporation of Polyamide-12 (PA-12) material:** PHMSA would allow the use of PA-12 pipe for the first time. PA-12 pipe would be authorized for use at pressures up to 250 psig for pipe up to 6 inches in diameter. The regulations also would incorporate by reference a PA-12 industry standard, ASTM F2785-12.
- **Design and construction of risers:** PHMSA would add specific requirements for the design and construction of plastic risers, and also would incorporate by reference ASTM F1973, an industry standard for plastic pipe risers.
- **Fittings:** PHMSA would incorporate a requirement to use only mechanical fittings, joints or connections that provide a so-called "Category One" joint under ASTM standards. A Category One joint provides resistance to lateral forces so that a large force on the connection would cause the pipe to yield before the joint. PHMSA also proposes to change the cathodic protection requirements for certain fittings.

**Regulations and Code Compliance:
Upcoming PHMSA State Seminars**

PHMSA offers training on gas and hazardous liquid pipeline safety regulations. More information is available [here](#).

June 2015

- 2-4 Indiana (gas and hazardous liquids)
- 24-26 Missouri (gas)

July 2015

- 20-24 Louisiana (gas) and hazardous liquids

August 2015

- 3-7 South Carolina (gas)

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- **Plastic pipe installation and repair:** PHMSA would add new requirements for a variety of installation and repair processes, including: installation via trenchless excavation, general pipe installation, pipe joining, qualifying plastic pipe joining procedures, qualifying individuals to perform joints, procedures for bends and elbows, service line connections to mains, pipe joining equipment maintenance, repair of gouges in plastic pipe, and leak repair clamps.
- **Other Matters:** In addition to the specific proposals listed above, PHMSA also is proposing a variety of "general" amendments regarding plastic pipe. PHMSA intends to adopt a variety of modern industry standards, and revise regulations related to plastic pipe material quality, storage and handling, component design, valve design, standard fittings, and pipe testing. PHMSA also proposes to clarify the requirements applicable to Type B regulated onshore gathering lines constructed with plastic pipe.

DOT's Office of Inspector General Initiates Audit of PHMSA

On May 5, the Department of Transportation's (DOT) Office of Inspector General (OIG) [announced](#) that it is initiating an audit of PHMSA's hazardous materials and pipeline programs. OIG's objectives are to assess PHMSA's (1) progress in addressing congressional mandates and recommendations issued by the National Transportation Safety Board (NTSB), Government Accountability Office, and OIG since 2005; (2) process for, and impediments to, implementing mandates and recommendations; and (3) efforts to coordinate with and address the safety concerns of other modal administrations. The audit was requested by Congressman Peter DeFazio (D-OR), ranking member of the House Transportation and Infrastructure (T&I) Committee, on the basis of concerns about the length of time PHMSA has taken to implement a number of mandates. The T&I Committee will play an important role in the upcoming reauthorization of the Pipeline Safety Act.

PHMSA Updates

PHMSA Rulemaking Update. The table below summarizes the status of PHMSA's various rulemakings as reported in DOT's May Significant Rulemaking [Report](#) and by the Office of Management and Budget's (OMB) Office of Information and Regulatory Affairs (OIRA) in the recently updated Spring 2015 [Unified Regulatory Agenda](#). Dates which differ from those in prior reports appear in **bold**.

Note that on April 28, OMB received PHMSA's draft NPRM regarding the safety of gas transmission lines. Under Executive Order (EO) 12866, OMB reviews proposed rules to ensure they are consistent with applicable law, the President's priorities, and the principles set forth in the EO, and to ensure the proposals do not conflict with another agency's policies or actions. OMB also analyzes the cost-benefit analyses in support of the proposals. While the EO sets out certain deadlines for OMB evaluation, this review period is often extended. Nonetheless, PHMSA's submission of the proposed rule to OMB marks a significant milestone on the way to publication of the NPRM. OMB now has three significant PHMSA rules under review (Gas Transmission, Hazardous Liquids and Excess Flow Valves).

Rulemaking & Next Action	DOT Estimated Date to OMB	DOT Estimated Publication Date	OIRA Estimated Publication Date
Excess Flow Valves; NPRM	April 30, 2014 (actual)	May 29, 2015	August 2015
Issues Related to Use of Plastic Pipe in the Gas Pipeline Industry; NPRM	Not listed in report because deemed non-significant	May 21, 2015 (actual)	May 2015
Safety of Gas Transmission Pipelines; NPRM	April 27, 2015 (actual)	August 6, 2015	August 2015



State-Specific Association Meetings

June 2015

- 7-10 [Alabama Natural Gas Association Annual Conference](#), Pensacola Beach, FL
- 7-10 [Texas Gas Association 2015 Operations and Management Conference](#), Galveston, TX
- 11-14 [California Independent Petroleum Association's 2015 Annual Meeting](#), Coronado, CA

July 2015

- 14-16 [Kentucky Oil & Gas Association Annual Meeting](#), Lexington, KY
- 15-17 [Mississippi Natural Gas Association Annual Conference](#), Orange Beach, Alabama
- 20-24 [Louisiana Gas Association Annual Pipeline Safety Conference](#), New Orleans, LA
- 25-28 [Georgia Municipal Association Gas Section's 2105 Annual Meeting](#), Savannah, GA

Additional Van Ness Feldman Publications

[Electric Reliability Update – May 15, 2015](#)

[Hydro Newsletter – Vol. 2, Issue 5 – April 27, 2015](#)

[Northwest Land Matters Update – May 2015](#)

Safety of On-Shore Hazardous Liquid Pipelines; NPRM	May 1, 2014 (actual)	June 30, 2015	August 2015
Valve Installation and Minimum Rupture Detection Standards; NPRM	July 8, 2015	October 20, 2015	September 2015
Enforcement of State Excavation Damage Laws; Final Rule	June 17, 2015	September 19, 2015	August 2015
Operator Qualification, Cost Recovery, Incident Reporting, CO ₂ , Special Permit Renewal, and Other Issues; NPRM	May 19, 2015	August 31, 2015	August 2015

Van Ness Feldman has prepared redlines of PHMSA's Part 191, Part 192, and Part 195 regulations reflecting changes adopted in PHMSA's Periodic Updates final rule, issued January 5, and Miscellaneous Amendments final rule, issued March 11. Please contact [Susan Olenchuk](#), [Jim Curry](#), or [Keith Coyle](#) for complimentary copies.

PHMSA announces revised LNG user fees. On May 7, PHMSA issued a [notice](#) announcing new user fees, which are collected from operators of liquefied natural gas (LNG) facilities to fund PHMSA's oversight activities. Responding to comments filed on its July 2014 [notice](#), PHMSA replaced its proposed 5-tier approach with a 10-tier billing structure in an effort to alleviate the financial impact on small operators. The modified fee plan will recover 1.6 percent of PHMSA's total gas program costs, instead of the proposed 5 percent. Given this reduction, PHMSA has eliminated the three-year fee collection period and will recover all of the costs in FY 2015 billings.

PHMSA seeks comments on two information collections related to hazardous liquid pipelines. On April 29, PHMSA issued a [notice](#) requesting comments on a revised information collection for hazardous liquid pipeline accident reporting. The revised information collection, [previously noticed](#) on February 4, would change the instructions for the liquids accident report form related to reporting the volume of commodity unintentionally released and the volume of commodity recovered after accidents. Comments are due to PHMSA by May 29. PHMSA intends to submit the revised information collection to OMB.

On May 28, PHMSA issued a [notice](#) requesting comments on an information collection for hazardous liquid pipeline annual reports and providing notice that the information collection will be submitted to OMB for approval. This information collection was [previously noticed](#) on February 19. PHMSA is providing an additional 30 days, until June 29, for the submission of comments.

PHMSA issues Corrective Action Order related to Santa Barbara oil spill. On May 21, PHMSA issued a [Corrective Action Order](#) (CAO) related to the May 19 oil spill in Santa Barbara, California. The CAO imposes a variety of operational restrictions and remedial measures related to the ruptured pipeline.

Updates from Industry

Former pipeline employee sentenced for criminal pipeline safety violations and submitting false data to PHMSA.

On April 30, a former corrosion coordinator for the operator of a jet fuel pipeline in Wisconsin was [sentenced](#) in federal court to five years' probation and ordered to pay over \$19 million in restitution for knowingly failing to conduct required safety tests of the pipeline's cathodic protection system and submitting false data to PHMSA.

Federal Funding Resource Center

Van Ness Feldman continually identifies and provides updates on federal funding opportunities related to energy, environment, natural resources, and public lands, including PHMSA grants.

www.vnf.com/Funding

To sign up for the weekly updates, e-mail vnf@vnf.com with "FFO Subscribe" in the subject line.

Updates from Canada

On May 6, Canada's House of Commons passed [Bill C-46](#) that would establish certain "polluter pays" financial responsibility requirements for pipeline operators. Provisions include subjecting pipeline companies to (1) unlimited liability if the company's fault or negligence results in an unintended or uncontrolled product release; (2) a \$1 billion liability limit, without proof of fault or negligence, if the company transports 250,000 barrels of oil per day either through a single pipeline in the aggregate through several pipelines; (3) the requirement to maintain the financial resources necessary to pay such liability amounts. In addition, the bill would provide for the establishment of pipeline claims tribunals that would be authorized to adjudicate claims against pipeline operators for environmental damage costs. The bill is pending before the Senate.

Select Regulatory and Legislative Updates from the States

(New or updated items are marked with an "**")

ALABAMA

*[SJR 56](#): This Senate Joint Resolution establishes the "Alabama One-Call Notification System Study Commission," which will study and make recommendations to the Legislature and the Governor regarding: 1) the expediency and validity of having a single One-Call notification system to serve the entire state of Alabama; 2) the adequacy of the enforcement provisions of current law; and 3) other items related to the One-Call law that may increase the level of safety for its citizens. The Senate Joint Resolution was introduced on May 7.

[HB 61](#) (Greer): This bill would increase the civil penalties for pipeline safety violations to conform with federal limits of \$200,000 for each violation, not to exceed two million dollars for any related series of violations. The bill was referred to the Committee on Public Safety and Homeland Security on March 3 and read for the third time on April 9.

ARIZONA

[HB 2259](#) (Gray): On March 17, Governor Ducey signed legislation increasing the civil penalties for pipeline safety violations to match the federal limits of \$200,000 for each violation, not to exceed two million dollars for any related series of violations.

CALIFORNIA

**CPUC ALJ issues decision recommending adoption of revised natural gas pipeline safety regulations.* On April 27, Administrative Law Judge Bushey issued a [proposed decision](#) recommending that the California Public Utilities Commission (CPUC) adopt Revised General Order 112-F, setting forth revised safety and reliability regulations applicable to gas transmission, distribution and gathering pipelines. The proposed decision modifies the July 2014 [proposed regulations](#). The revised regulations would become effective January 1, 2016.

*[SB 119](#) (Hill): This bill proposed numerous modifications to California's One-Call laws. Of note, the proposed legislation would (1) remove the Department of Transportation exemption from participating in the state one-call program; (2) create the California Underground Facilities Safe Excavation Authority to enforce excavation laws by hearing stakeholder complaints and assessing civil penalties; (3) modify the one-call exemption for owners of real property to exempt only owners of residential real property using hand tools not requiring a permit; and (4) authorize the CPUC and the Office of the State Fire Marshal to enforce certain requirements against operators of natural gas and hazardous liquid pipelines. The bill has been amended numerous times and is under consideration by the Senate Committee on Appropriations.

[SB 18](#) (Hill): This bill would authorize the CPUC to require that the \$1.4 billion fine proposed by CPUC administrative law judges against PG&E for violations relating to the 2010 San Bruno accident be held in a separate account and not deposited into the state's General Fund. Most of the funds would be used to

offset investments in pipeline replacements in the company's service territory that otherwise would be recovered from ratepayers. A portion of the funds also would be allocated for an independent monitor to oversee the company's pipeline operations and provide seed money for a pipeline safety trust that would advocate on behalf of utility consumers. The bill was referred to the Committee on Energy, Utilities and Communication on January 15. On February 4, the bill was [amended](#) to require that moneys collected as a result of citations issued to gas and electric corporations be deposited in the Safe Energy Infrastructure and Excavation Fund, which would be used to fund the California Underground Facilities Safe Excavation Authority. *On March 26, the bill was substantially [amended](#) by replacing the above proposals with an amendment to the Public Utilities Act (Act) that would allow the CPUC to appoint an attorney to represent the people and the CPUC in all matters involving questions under the Act, an order, or other action of the CPUC; to commence, prosecute, and expedite the final determinations of actions and proceedings directed or authorized by the President; and to advise the CPUC with regard to its powers and duties. The Committee on Energy, Utilities, and Communication on passed the bill on May 4 and re-referred it to the Committee on Appropriations.*

ILLINOIS

*The Illinois Commerce Commission (ICC) has [proposed](#) to amend its gas pipeline safety regulations to (1) incorporate by reference the federal pipeline safety rules in effect on October 1, 2014, and (2) require that owners and operators of gas pipeline facilities submit to the ICC plans, procedures, and programs required or necessary to implement the gas pipeline safety standards. Comments on the proposed amendments were filed December 22, 2014. The proposed amendments were reviewed at the Joint Committee on Administrative Rules' May 12 meeting.

LOUISIANA

*[HB 400](#) (Schexnayder): This bill would authorize the Commissioner of Conservation to regulate the location, construction, operation, and maintenance of intrastate LNG facilities, and intrastate pipeline facilities and persons engaged in the intrastate transportation of gas. This bill also would require the Office of Conservation to adopt pipeline safety regulations that are consistent with federal law. The bill passed the House on May 19 and was referred to the Senate Committee on Natural Resources on May 21.

MAINE

On March 31, the Maine Public Utilities Commission (MPUC) [proposed](#) to amend its gas pipeline safety regulations, in pertinent part, to: (1) require gas utilities installing natural gas facilities with trenchless technology to implement, as part of their public awareness programs, a stakeholder outreach campaign specific to the use of this technology; (2) require operators to include new construction tasks as covered tasks in their operator qualification programs; (3) include a utility accommodation policy that requires gas utilities to make appropriate accommodations, including temporary removal or relocation of facilities, to ensure safety when another utility performs excavation in proximity to a gas line in order to access an adjacent utility facility; (4) require tracking of components and materials used in the installation and maintenance of mains and service lines; and (5) require documents filed with the MPUC pertaining to pipeline integrity to be signed by a Maine-licensed professional engineer. Comments were due May 20.

MICHIGAN

*[HB 4540](#) (Heise): This bill would amend Michigan's Freedom of Information Act to exempt from disclosure critical energy infrastructure information, such as specific engineering, vulnerability, or detailed design information that: (1) relates details about the production, generation, transportation, transmission, or distribution of fuel or energy; (2) could be useful to a person in planning an attack; and (3) provides more than the general location of critical infrastructure. The bill would exempt information regarding both existing and proposed infrastructure. The bill was introduced and referred to the Committee on Oversight and Ethics on May 5.

MINNESOTA

[SF 1100](#) (Jensen): This bill would expand existing oil and hazardous substance discharge preparedness requirements, currently applicable to railroads, to also apply to hazardous liquid pipeline facilities that transport more than 100,000 gallons of hazardous liquid per month. Covered pipelines would be required to communicate annually with emergency responders; conduct at least one containment, recovery, and sensitive area protection drill every three years; submit initial prevention and response plans to the Pollution Control Agency by June 30, 2016; and update them every three years. This bill was referred to the Transportation and Public Safety Committee on February 23.

NEVADA

[SB 86](#): This bill would increase the civil penalties for pipeline safety violations to conform with the federal limits of \$200,000 for each violation, not to exceed two million dollars for any related series of violations. This bill would also increase the maximum civil penalty for violations of provisions relating to excavation damage to \$2,500 per day, not to exceed \$250,000 for any related series of violations within a calendar year, and removes the distinction between negligent, willful, and repeated violations. For any excavation damage violation that occurs less than 24 inches from a high consequence subsurface installation, this bill would allow the Public Utilities Commission of Nevada to triple the maximum penalty upon consideration of certain factors. A high consequence subsurface installation would be defined as: a natural gas pipeline operating at greater than 100 psig; a petroleum pipeline; a pressurized sewage pipeline or force main; certain high-voltage electric supply lines, high-capacity water and telecommunications lines; a hazardous materials pipeline; or any other subsurface installation that if damaged would interrupt an essential public service. The Senate passed the bill on April 8, and the Assembly passed it on May 6. The bill will become effective on July 1, 2015.

NEW JERSEY

[A 2711](#) (Handlin): This bill proposes to create the New Jersey Taskforce on Underground Utility Lines for the purpose of studying issues related to placing overhead utilities underground. The bill was referred to the Assembly Committee on Telecommunications and Utilities on February 24, 2014.

[S 2422](#) (Greenstein & Bateman): This bill would require natural gas pipeline utilities to repair or replace leaking natural gas pipelines within time frames to be established by the Dept. of Environmental Protection (DEP). DEP, in consultation with the Board of Public Utilities, would adopt implementing regulations to prioritize time frames for the repair and replacement of pipelines based on the severity of leaks, best practices and repair standards, and de minimis exceptions to the repair and replacement requirements. The penalties for noncompliance would be those set forth in the Air Pollution Control Act (1954). The bill was referred to the Senate Economic Growth Committee on September 18, 2014.

[A 4260](#) (Eustace): This bill is the Assembly version of S 2422, currently pending in the Senate. The Assembly bill was introduced and referred to the Telecommunications and Utilities Committee on March 2.

NEW YORK

**New York Department of Environmental Conservation (NYDEC) announces new measures for responding to oil transportation spills.* On May 27, the NYDEC [announced](#) that it will implement new measures, including aerial monitoring, a 24-hour hotline, and other preventive measures, to respond to oil transportation spills.

New York Public Service Commission adopts amendments to gas safety regulations. On March 25, the New York Public Service Commission (NYPSC) [adopted](#) amendments to its gas safety regulations that: (1) expand the definition of service line to include inside gas piping up to an inside meter, making the regulations consistent with the federal definition; (2) apply corrosion inspection and leakage survey requirements to the expanded service line area; (3) eliminate the option of solely soap testing small sections of gas pipe at line pressure prior to placing pipe into service; (4) eliminate the option to throttle

gas pressure in delivery lines every five years to maintain MAOP; and (5) remove the exception from odorization requirements and require that gas in route to storage be odorized. The amended gas safety regulations became effective April 2, but compliance with the new definition of service line and associated inspection and survey requirements is stayed until the NYPSC establishes a proceeding to develop a State implementation framework at a later date. The Notice of Adoption was published in the New York State Register on April 22, 2015.

[AB 5083](#) (Paulin): This bill would amend the Public Service Law to require (1) the Department of Public Service to establish a uniform system for classifying gas leaks; (2) gas companies to annually report the location, classification, date, and date of repair of each leak; and (3) the Department to promulgate regulations to implement the classification system and oversee annual reporting. The bill also would require the New York Public Service Commission to determine whether New York should require winter surveillance of cast or ductile iron pipelines. The bill was referred to the Corporations, Authorities, and Commissions Committee on February 12.

*[SB 5206](#) (Griffo): This bill is the Senate version of AB 5083. The bill would establish in statute reporting requirements for various classifications of gas leaks by utility corporations. The bill was introduced and referred to the Senate Energy and Telecommunications Committee on May 7.

[AB 730](#) (Lentol): This bill would require that the Department of Environmental Conservation, prior to the issuance or renewal of a major facility license, require applicants to demonstrate implementation of state and federal regulations for prompt detection of petroleum discharges from tanks and connecting pipelines, including installation of proper detection equipment. The bill was introduced and referred to the Standing Committee on Environmental Conservation on January 7.

[AB 2547](#) (Rodriguez): This bill would require operators of gas distribution and gas utility facilities to accelerate the repair, rehabilitation, and replacement of pipeline or equipment that is leaking, may pose a high risk of leaks, or may no longer be fit for service. The bill also would require the New York Public Service Commission to adopt a cost recovery program, develop timelines prioritizing the repair of all leaks based on severity, require the use of best available technologies to detect gas leaks, adopt standard methodology for calculating and reporting lost and unaccounted for (LAUF) gas, and adopt limits on cost recovery for LAUF gas. The bill was referred to the Energy Committee on January 16.

[AB 2648](#) (Pretlow): This bill would amend the Public Service Law to define "excavation" as including the use of hand tools, and would require excavators to request mark outs for excavation using hand tools through the One-Call notification system. Tilling soil for agricultural purposes, routine residential or right-of-way maintenance, and landscaping activities are exempt provided the activity is performed with non-powered equipment. The bill also would amend the definition of "underground facilities" to include all facilities that an operator uses to provide "services or materials," regardless of whether the operator installed the facility. The bill was referred to the Corporations, Authorities, and Commissions Committee on January 20.

[AB 2777](#) (Brennan): This bill would require gas corporations to file an annual gas safety report with the Department of Public Service. The report would include a description of the strategic planning and decision-making methodology employed in prioritizing pipeline replacement projects, the corporation's operations and maintenance activities relating to gas safety, the corporation's intrastate inspections policies, and a list of pipeline replacement projects. The Department must report deficiencies in the gas corporation's project prioritization or administration of pipeline infrastructure to the Public Service Commission, which could order reasonable improvements. This bill was referred to the Corporations, Authorities, and Commissions Committee on January 20. On March 24, the bill was passed by the Assembly and referred to the Senate Committee on Corporations, Authorities, and Commissions.

NORTH DAKOTA

On November 10, 2014, the North Dakota Public Service Commission (NDPSC) issued a notice that it is proposing to amend its pipeline safety regulations to include PHMSA's gas and hazardous liquid safety

regulatory requirements adopted through November 6, 2014. The NDPSC convened a public [hearing](#) on the proposed amendments on December 15, 2014. On January 7, the NDPSC issued an [Order](#) submitting the [proposed rules](#) to the Attorney General. The Order notes that, although the NDPSC has the authority to regulate the safety of the state's hazardous liquid pipelines, it currently does not have a certified hazardous liquid safety program with PHMSA. The proposed rules were published in the April 2015 North Dakota Administrative Code Supplement 356.

[HB 1358](#) (Anderson): On April 20, Governor Jack Dalrymple signed HB 1358 into law, which: (1) requires operators of underground crude oil and produced water gathering pipelines placed into service after August 1, 2015, to provide the Industrial Commission (IC) upon request with engineering construction design drawings and specifications, a list of independent inspectors, and a leak protection and monitoring plan, and to file with the IC an independent inspector's certificate of hydrostatic or pneumatic testing within 60 days of the pipeline being placed into service; (2) allows money from the Abandoned Oil and Gas Well Plugging and Site Reclamation Fund to be used for reclamation and restoration of land and water resources impacted by oil and gas development; (3) requires operators of underground crude oil or produced water gathering pipelines to post a reasonable bond; (4) allows surface owners to request a status review of wells temporarily abandoned for at least seven years; and (5) allows the IC to release volumes injected into a saltwater injection well, and information from a spill report where more than ten barrels of fluid was released on a well site and an oilfield environmental incident report is required by law, despite a request for confidentiality of well data. Additionally, the bill provides \$1.5 million for the University of North Dakota's Energy and Environmental Research Center to analyze the feasibility of requiring leak detection and monitoring technology on new and existing pipeline systems and to report recommendations to the IC by December 1, 2015, which must adopt necessary regulations. The bill also provides \$500,000 for a pilot program aimed at remediating salt and other soil contamination caused by trenching.

[SB 2374](#) (Wardner): This bill would (1) require operators of gas and liquid gathering lines (including salt water pipelines) to secure a permit from the IC prior to installing a pipeline; (2) direct the IC to require the installation of flow meters, automatic shutoff valves, and pressure cutoff switches on all new gas or liquid gathering pipelines; (3) require operators to post a reasonable bond; and (4) require legislative management (a group of legislators that meet between legislative sessions) to study technology that may be used to detect or prevent pipeline leaks and present findings and recommendation so the legislative assembly. The bill was introduced on January 26, and on February 6, the proposed bill was [amended](#) to require underground crude oil or produced water gathering pipelines to secure a permit, file engineering design drawings and independent inspection certifications, and to allow the IC to perform inspections and review records. On February 19, the Senate passed the bill, and on February 25, the bill was introduced in the House and referred to the Energy and Natural Resources Committee. A hearing was held on March 6. On March 31, the House voted down this bill, [reportedly](#) in lieu of HB 1358.

OKLAHOMA

Oklahoma Corporation Commission adopts rules relating to damage prevention and enforcement. On March 15, the Oklahoma Corporation Commission (OCC) [adopted proposed rules](#) that provide the OCC with authority to enforce violations of the Oklahoma Underground Facilities Damage Prevention Act with respect to pipelines. The rules also require excavators to immediately notify local emergency responders in the event of an uncontrolled or unintentional release of flammable, toxic or corrosive gas or liquid from a pipeline or pipeline system. The rules were submitted to the Governor and the Oklahoma Legislature for approval.

OREGON

[HB 3410](#) (Helm): This bill would establish a nine-member Task Force on Secure Pipelines, which would study and report on state and federal safety standards, new technologies for safer pipeline transportation of petroleum, natural gas, and other flammable substances, costs related to such technologies, and incentives to encourage the use of such technologies to construct or retrofit pipelines

and related facilities. The Task Force would be required to report its findings by September 15, 2016. The bill was referred to the Committee on Energy and Environment on March 6, with a subsequent referral to the Joint Committee on Ways and Means.

PENNSYLVANIA

[SB 561](#) (Rafferty): This bill would amend the Gas and Hazardous Liquids Act to replace the Pennsylvania Public Utility Commission with the Department of Transportation of the Commonwealth as the entity with safety jurisdiction over pipelines. The bill also would require the newly created Department to seek certification from PHMSA to enforce pipeline safety requirements for intrastate gas and hazardous liquid pipelines, and to act as an interstate inspection agent on behalf of PHMSA. The bill was referred to the Consumer Protection and Professional Licensure Committee on March 6.

[HB 445](#) (Baker): This bill would amend the Underground Utility Line Protection Law to impose additional duties on facility owners, including submitting reports of alleged excavation damage violations, to establish an annual fee for excavators requesting information from the One Call System, and to create a Damage Prevention Committee to review reports of alleged violations and issue informal determinations imposing administrative penalties. The bill was referred to the Consumer Affairs Committee on February 11.

[SB 418](#): This bill would amend the Underground Utility Protection Law to require the exclusive use of steel products produced in the United States for the construction, alteration, repair, improvement, and maintenance of gathering lines. The bill was referred to the Consumer Protection and Professional Licensure Committee on February 12.

[SB 367](#) (White): This bill would amend the definition of “line” and “facility” in the Underground Utility Protection Law to include gathering lines used to gather natural gas from unconventional gas wells. The effect of this legislation is to make these lines in Pennsylvania subject to the state’s One-Call system. This bill was referred to the Consumer Protection and Professional Licensure Committee on January 30.

RHODE ISLAND

[HB 5959](#) (Azzinaro): This bill would expand the authority of the Division of Public Utilities and Carriers to adopt federal pipeline safety standards. The bill was passed by the House on May 7.

UTAH

[HB 31](#) (Handy): On March 24, Utah enacted legislation increasing civil penalties for violations of Utah’s Public Utilities Code governing intrastate pipeline transportation to \$100,000 per violation for each day the violation occurs, not to exceed \$1 million for any related series of violations. This bill also requires operators to maintain an inspection and maintenance plan for each pipeline facility and to make it available to the Utah Public Service Commission upon request.

WASHINGTON

In March, the Washington State Citizens Advisory Committee on Pipeline Safety, which monitors and provides pipeline safety guidance to policymakers, operators, and regulators, released its [2014 Pipeline Report](#). Of note, the report states that PHMSA has indicated a desire to rescind Interstate Agent Agreements, under which states regulators may obtain authorization from PHMSA to inspect, but not enforce, compliance with federal pipeline safety requirements with respect to interstate pipelines. PHMSA would instead assume that authority. Washington is one of 8 states with an interstate agent agreement; and is one of 5 states with an agreement for hazardous liquid pipelines. The report also reviews the Committee’s work during 2014 and describes its work for 2015, which includes a focus on fugitive gas emissions as they relates to the condition of pipelines.

WISCONSIN

The Wisconsin Public Service Commission issued a proposed [order](#) that would amend its pipeline safety regulations to incorporate the latest federal safety standards in 49 C.F.R. Parts 192, 193, and 199. The proposed order was [submitted](#) to the both Houses of the Wisconsin legislature on December 14, 2014. It was referred to the Senate Committee on Workforce Development, Public Works, and Military Affairs on January 8, and to the Assembly Committee on Energy and Utilities on January 20. The [final regulations](#) were published in the Wisconsin Administrative Register on April 13, 2015.

FOR MORE INFORMATION

Van Ness Feldman counsels clients on pipeline safety compliance, enforcement, and litigation under the Pipeline Safety Laws and Regulations and related statutes. If you are interested in additional information regarding pipeline safety matters or any PHMSA or pipeline related matter, please contact [Susan Olenchuk](#) at (202) 298-1896 or sam@vnf.com, [Jim Curry](#) at (202) 298-1831 or jbc@vnf.com, [Keith Coyle](#), at (202) 298-1811 or kjc@vnf.com, or any member of the firm's Pipeline & LNG practice group.

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