

# One Hundred Ninth Congress of the United States of America

## AT THE SECOND SESSION

*Begun and held at the City of Washington on Tuesday,  
the third day of January, two thousand and six*

## An Act

To amend title 49, United States Code, to provide for enhanced safety and environmental protection in pipeline transportation, to provide for enhanced reliability in the transportation of the Nation's energy products by pipeline, and for other purposes.

*Be it enacted by the Senate and House of Representatives of  
the United States of America in Congress assembled,*

### **SECTION 1. SHORT TITLE; AMENDMENT OF TITLE 49, UNITED STATES CODE; TABLE OF CONTENTS.**

(a) **SHORT TITLE.**—This Act may be cited as the “Pipeline Inspection, Protection, Enforcement, and Safety Act of 2006”.

(b) **AMENDMENT OF TITLE 49, UNITED STATES CODE.**—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 49, United States Code.

(c) **TABLE OF CONTENTS.**—

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### **SEC. 2. PIPELINE SAFETY AND DAMAGE PREVENTION.**

(a) **ONE CALL CIVIL ENFORCEMENT.**—

(1) **PROHIBITIONS.**—Section 60114 is amended by adding at the end the following:

“(d) PROHIBITION APPLICABLE TO EXCAVATORS.—A person who engages in demolition, excavation, tunneling, or construction—

“(1) may not engage in a demolition, excavation, tunneling, or construction activity in a State that has adopted a one-call notification system without first using that system to establish the location of underground facilities in the demolition, excavation, tunneling, or construction area;

“(2) may not engage in such demolition, excavation, tunneling, or construction activity in disregard of location information or markings established by a pipeline facility operator pursuant to subsection (b); and

“(3) and who causes damage to a pipeline facility that may endanger life or cause serious bodily harm or damage to property—

“(A) may not fail to promptly report the damage to the owner or operator of the facility; and

“(B) if the damage results in the escape of any flammable, toxic, or corrosive gas or liquid, may not fail to promptly report to other appropriate authorities by calling the 911 emergency telephone number.

“(e) PROHIBITION APPLICABLE TO UNDERGROUND PIPELINE FACILITY OWNERS AND OPERATORS.—Any owner or operator of a pipeline facility who fails to respond to a location request in order to prevent damage to the pipeline facility or who fails to take reasonable steps, in response to such a request, to ensure accurate marking of the location of the pipeline facility in order to prevent damage to the pipeline facility shall be subject to a civil action under section 60120 or assessment of a civil penalty under section 60122.

“(f) LIMITATION.—The Secretary may not conduct an enforcement proceeding under subsection (d) for a violation within the boundaries of a State that has the authority to impose penalties described in section 60134(b)(7) against persons who violate that State’s damage prevention laws, unless the Secretary has determined that the State’s enforcement is inadequate to protect safety, consistent with this chapter, and until the Secretary issues, through a rulemaking proceeding, the procedures for determining inadequate State enforcement of penalties.”.

(2) CIVIL PENALTY.—Section 60122(a)(1) is amended by striking “60114(b)” and inserting “60114(b), 60114(d),”.

(b) STATE DAMAGE PREVENTION PROGRAMS.—

(1) CONTENTS OF CERTIFICATIONS.—Section 60105(b)(4) is amended to read as follows:

“(4) is encouraging and promoting the establishment of a program designed to prevent damage by demolition, excavation, tunneling, or construction activity to the pipeline facilities to which the certification applies that subjects persons who violate the applicable requirements of that program to civil penalties and other enforcement actions that are substantially the same as are provided under this chapter, and addresses the elements in section 60134(b);”.

(2) IN GENERAL.—Chapter 601 is amended by adding at the end the following:

**“§ 60134. State damage prevention programs**

“(a) IN GENERAL.—The Secretary may make a grant to a State authority (including a municipality with respect to intrastate gas

pipeline transportation) to assist in improving the overall quality and effectiveness of a damage prevention program of the State authority under subsection (e) if the State authority—

“(1) has in effect an annual certification under section 60105 or an agreement under section 60106; and

“(2)(A) has in effect an effective damage prevention program that meets the requirements of subsection (b); or

“(B) demonstrates that it has made substantial progress toward establishing such a program, and that such program will meet the requirements of subsection (b).

“(b) DAMAGE PREVENTION PROGRAM ELEMENTS.—An effective damage prevention program includes the following elements:

“(1) Participation by operators, excavators, and other stakeholders in the development and implementation of methods for establishing and maintaining effective communications between stakeholders from receipt of an excavation notification until successful completion of the excavation, as appropriate.

“(2) A process for fostering and ensuring the support and partnership of stakeholders, including excavators, operators, locators, designers, and local government in all phases of the program.

“(3) A process for reviewing the adequacy of a pipeline operator’s internal performance measures regarding persons performing locating services and quality assurance programs.

“(4) Participation by operators, excavators, and other stakeholders in the development and implementation of effective employee training programs to ensure that operators, the one-call center, the enforcing agency, and the excavators have partnered to design and implement training for the employees of operators, excavators, and locators.

“(5) A process for fostering and ensuring active participation by all stakeholders in public education for damage prevention activities.

“(6) A process for resolving disputes that defines the State authority’s role as a partner and facilitator to resolve issues.

“(7) Enforcement of State damage prevention laws and regulations for all aspects of the damage prevention process, including public education, and the use of civil penalties for violations assessable by the appropriate State authority.

“(8) A process for fostering and promoting the use, by all appropriate stakeholders, of improving technologies that may enhance communications, underground pipeline locating capability, and gathering and analyzing information about the accuracy and effectiveness of locating programs.

“(9) A process for review and analysis of the effectiveness of each program element, including a means for implementing improvements identified by such program reviews.

“(c) FACTORS TO CONSIDER.—In making grants under this section, the Secretary shall take into consideration the commitment of each State to ensuring the effectiveness of its damage prevention program, including legislative and regulatory actions taken by the State.

“(d) APPLICATION.—If a State authority files an application for a grant under this section not later than September 30 of a calendar year and demonstrates that the Governor (or chief executive) of the State has designated it as the appropriate State

authority to receive the grant, the Secretary shall review the State's damage prevention program to determine its effectiveness.

“(e) USE OF FUNDS.—A grant under this section to a State authority may only be used to pay the cost of the personnel, equipment, and activities that the State authority reasonably requires for the calendar year covered by the grant to develop or carry out its damage prevention program in accordance with subsection (b).

“(f) NONAPPLICABILITY OF LIMITATION.—A grant made under this section is not subject to the section 60107(a) limitation on the maximum percentage of funds to be paid by the Secretary.

“(g) LIMITATION ON USE OF FUNDS.—Funds provided to carry out this section may not be used for lobbying or in direct support of litigation.

“(h) DAMAGE PREVENTION PROCESS DEFINED.—In this section, the term ‘damage prevention process’ means a process that incorporates the principles described in sections 60114(b), 60114(d), and 60114(e).”.

(3) CLERICAL AMENDMENT.—The analysis for chapter 601 is amended by adding at the end the following:

“60134. State damage prevention programs.”.

(c) STATE PIPELINE SAFETY GRANTS.—Section 60107(a) is amended by striking “not more than 50 percent” and inserting “not more than 80 percent”.

(d) MAINTENANCE OF EFFORT.—Section 60107(b) is amended by striking “spent—” and all that follows and inserting “spent for gas and hazardous liquid safety programs for the 3 fiscal years prior to the fiscal year in which the Secretary makes the payment, except when the Secretary waives this requirement.”.

(e) DAMAGE PREVENTION TECHNOLOGY DEVELOPMENT.—Section 60114 (as amended by subsection (a)(1) of this section) is further amended by adding at the end the following:

“(g) TECHNOLOGY DEVELOPMENT GRANTS.—The Secretary may make grants to any organization or entity (not including for-profit entities) for the development of technologies that will facilitate the prevention of pipeline damage caused by demolition, excavation, tunneling, or construction activities, with emphasis on wireless and global positioning technologies having potential for use in connection with notification systems and underground facility locating and marking services. Funds provided under this subsection may not be used for lobbying or in direct support of litigation. The Secretary may also support such technology development through cooperative agreements with trade associations, academic institutions, and other organizations.”.

### SEC. 3. PUBLIC EDUCATION AND AWARENESS.

(a) IN GENERAL.—Chapter 61 is amended by adding at the end the following:

#### “§ 6109. Public education and awareness

“(a) GRANT AUTHORITY.—The Secretary shall make a grant to an appropriate entity for promoting public education and awareness with respect to the 811 national excavation damage prevention phone number.

“(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary \$1,000,000 for the period beginning October 1, 2006, and ending September 30, 2008, to carry out this section.”.

(b) CLERICAL AMENDMENT.—The analysis for chapter 61 is amended by adding at the end the following:

“6109. Public education and awareness.”.

**SEC. 4. LOW-STRESS PIPELINES.**

Section 60102(k) is amended to read as follows:

“(k) LOW-STRESS HAZARDOUS LIQUID PIPELINES.—

“(1) MINIMUM STANDARDS.—Not later than December 31, 2007, the Secretary shall issue regulations subjecting low-stress hazardous liquid pipelines to the same standards and regulations as other hazardous liquid pipelines, except as provided in paragraph (3). The implementation of the applicable standards and regulatory requirements may be phased in. The regulations issued under this paragraph shall not apply to gathering lines.

“(2) GENERAL PROHIBITION AGAINST LOW INTERNAL STRESS EXCEPTION.—Except as provided in paragraph (3), the Secretary may not provide an exception to the requirements of this chapter for a hazardous liquid pipeline because the pipeline operates at low internal stress.

“(3) LIMITED EXCEPTIONS.—The Secretary shall provide or continue in force exceptions to this subsection for low-stress hazardous liquid pipelines that—

“(A) are subject to safety regulations of the United States Coast Guard; or

“(B) serve refining, manufacturing, or truck, rail, or vessel terminal facilities if the pipeline is less than 1 mile long (measured outside the facility grounds) and does not cross an offshore area or a waterway currently used for commercial navigation,

until regulations issued under paragraph (1) become effective. After such regulations become effective, the Secretary may retain or remove those exceptions as appropriate.

“(4) RELATIONSHIP TO OTHER LAWS.—Nothing in this subsection shall be construed to prohibit or otherwise affect the applicability of any other statutory or regulatory exemption to any hazardous liquid pipeline.

“(5) DEFINITION.—For purposes of this subsection, the term ‘low-stress hazardous liquid pipeline’ means a hazardous liquid pipeline that is operated in its entirety at a stress level of 20 percent or less of the specified minimum yield strength of the line pipe.

“(6) EFFECTIVE DATE.—The requirements of this subsection shall not take effect as to low-stress hazardous liquid pipeline operators before the effective date of the rules promulgated by the Secretary under this subsection.”.

**SEC. 5. TECHNICAL ASSISTANCE GRANTS.**

Section 60130 is amended—

(1) in subsection (a)(1) by striking “The Secretary shall establish competitive” and inserting “No grants may be awarded under section 60114(g) until the Secretary has established competitive”;

(2) in subsection (a) by redesignating paragraph (2) as paragraph (4);

(3) in subsection (a) by inserting after paragraph (1) the following:

“(2) DEMONSTRATION GRANTS.—At least the first 3 grants awarded under this section shall be demonstration grants for the purpose of demonstrating and evaluating the utility of grants under this section. Each such demonstration grant shall not exceed \$25,000.

“(3) DISSEMINATION OF TECHNICAL FINDINGS.—Each recipient of a grant under this section shall ensure that—

“(A) the technical findings made possible by the grants are made available to the relevant operators; and

“(B) open communication between the grant recipients, local operators, local communities, and other interested parties is encouraged.”; and

(4) in subsection (d) by striking “2006” and inserting “2010”.

**SEC. 6. ENFORCEMENT TRANSPARENCY.**

(a) IN GENERAL.—Chapter 601 (as amended by section 2(b) of this Act) is further amended by adding at the end the following:

**“§ 60135. Enforcement transparency**

“(a) IN GENERAL.—Not later than December 31, 2007, the Secretary shall—

“(1) provide a monthly updated summary to the public of all gas and hazardous liquid pipeline enforcement actions taken by the Secretary or the Pipeline and Hazardous Materials Safety Administration, from the time a notice commencing an enforcement action is issued until the enforcement action is final;

“(2) include in each such summary identification of the operator involved in the enforcement activity, the type of alleged violation, the penalty or penalties proposed, any changes in case status since the previous summary, the final assessment amount of each penalty, and the reasons for a reduction in the proposed penalty, if appropriate; and

“(3) provide a mechanism by which a pipeline operator named in an enforcement action may make information, explanations, or documents it believes are responsive to the enforcement action available to the public.

“(b) ELECTRONIC AVAILABILITY.—Each summary under this section shall be made available to the public by electronic means.

“(c) RELATIONSHIP TO FOIA.—Nothing in this section shall be construed to require disclosure of information or records that are exempt from disclosure under section 552 of title 5.”.

(b) CLERICAL AMENDMENT.—The analysis for chapter 601 (as amended by section 2(b) of this Act) is further amended by adding at the end:

“60135. Enforcement transparency.”.

**SEC. 7. DIRECT LINE SALES.**

Section 60101(a) is amended—

(1) by striking paragraph (6) and inserting the following:

“(6) ‘interstate gas pipeline facility’ means a gas pipeline facility—

“(A) used to transport gas; and

“(B) subject to the jurisdiction of the Commission under the Natural Gas Act (15 U.S.C. 717 et seq.);” and  
(2) by striking paragraph (9) and inserting the following:  
“(9) ‘intrastate gas pipeline facility’ means a gas pipeline facility and transportation of gas within a State not subject to the jurisdiction of the Commission under the Natural Gas Act (15 U.S.C. 717 et seq.);”.

**SEC. 8. PETROLEUM TRANSPORTATION CAPACITY AND REGULATORY ADEQUACY STUDY.**

(a) IN GENERAL.—Chapter 601 (as amended by sections 2(b) and 6 of this Act) is further amended by adding at the end the following:

**“§ 60136. Petroleum product transportation capacity study**

“(a) IN GENERAL.—The Secretaries of Transportation and Energy shall conduct periodic analyses of the domestic transport of petroleum products by pipeline. Such analyses should identify areas of the United States where unplanned loss of individual pipeline facilities may cause shortages of petroleum products or price disruptions and where shortages of pipeline capacity and reliability concerns may have or are anticipated to contribute to shortages of petroleum products or price disruptions. Upon identifying such areas, the Secretaries may determine if the current level of regulation is sufficient to minimize the potential for unplanned losses of pipeline capacity.

“(b) CONSULTATION.—In preparing any analysis under this section, the Secretaries may consult with the heads of other government agencies and public- and private-sector experts in pipeline and other forms of petroleum product transportation, energy consumption, pipeline capacity, population, and economic development.

“(c) REPORT TO CONGRESS.—Not later than June 1, 2008, the Secretaries shall submit to the Committee on Energy and Commerce and the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation and the Committee on Energy and Natural Resources of the Senate a report setting forth their recommendations to reduce the likelihood of the shortages and price disruptions referred to in subsection (a).

“(d) ADDITIONAL REPORTS.—The Secretaries shall submit additional reports to the congressional committees referred to in subsection (c) containing the results of any subsequent analyses performed under subsection (a) and any additional recommendations, as appropriate.

“(e) PETROLEUM PRODUCT DEFINED.—In this section, the term ‘petroleum product’ means oil of any kind or in any form, gasoline, diesel fuel, aviation fuel, fuel oil, kerosene, any product obtained from refining or processing of crude oil, liquefied petroleum gases, natural gas liquids, petrochemical feedstocks, condensate, waste or refuse mixtures containing any of such oil products, and any other liquid hydrocarbon compounds.”.

(b) CLERICAL AMENDMENT.—The analysis for chapter 601 (as amended by sections 2(b) and 6 of this Act) is further amended by adding at the end the following:

“60136. Petroleum product transportation capacity study.”.

**SEC. 9. DISTRIBUTION INTEGRITY MANAGEMENT PROGRAM RULE-  
MAKING DEADLINE.**

Section 60109 is amended by adding at the end the following:

“(e) DISTRIBUTION INTEGRITY MANAGEMENT PROGRAMS.—

“(1) MINIMUM STANDARDS.—Not later than December 31, 2007, the Secretary shall prescribe minimum standards for integrity management programs for distribution pipelines.

“(2) ADDITIONAL AUTHORITY OF SECRETARY.—In carrying out this subsection, the Secretary may require operators of distribution pipelines to continually identify and assess risks on their distribution lines, to remediate conditions that present a potential threat to line integrity, and to monitor program effectiveness.

“(3) EXCESS FLOW VALVES.—

“(A) IN GENERAL.—The minimum standards shall include a requirement for an operator of a natural gas distribution system to install an excess flow valve on each single family residence service line connected to such system if—

“(i) the service line is installed or entirely replaced after June 1, 2008;

“(ii) the service line operates continuously throughout the year at a pressure not less than 10 pounds per square inch gauge;

“(iii) the service line is not connected to a gas stream with respect to which the operator has had prior experience with contaminants the presence of which could interfere with the operation of an excess flow valve;

“(iv) the installation of an excess flow valve on the service line is not likely to cause loss of service to the residence or interfere with necessary operation or maintenance activities, such as purging liquids from the service line; and

“(v) an excess flow valve meeting performance standards developed under section 60110(e) of title 49, United States Code, is commercially available to the operator, as determined by the Secretary.

“(B) REPORTS.—Operators of natural gas distribution systems shall report annually to the Secretary on the number of excess flow valves installed on their systems under subparagraph (A).

“(4) APPLICABILITY.—The Secretary shall determine which distribution pipelines will be subject to the minimum standards.

“(5) DEVELOPMENT AND IMPLEMENTATION.—Each operator of a distribution pipeline that the Secretary determines is subject to the minimum standards prescribed by the Secretary under this subsection shall develop and implement an integrity management program in accordance with those standards.

“(6) SAVINGS CLAUSE.—Subject to section 60104(c), a State authority having a current certification under section 60105 may adopt or continue in force additional integrity management requirements, including additional requirements for installation of excess flow valves, for gas distribution pipelines within the boundaries of that State.”.



**SEC. 10. EMERGENCY WAIVERS.**

Section 60118(c) is amended to read as follows:

“(c) **WAIVERS BY SECRETARY.**—

“(1) **NONEMERGENCY WAIVERS.**—

“(A) **IN GENERAL.**—On application of an owner or operator of a pipeline facility, the Secretary by order may waive compliance with any part of an applicable standard prescribed under this chapter with respect to such facility on terms the Secretary considers appropriate if the Secretary determines that the waiver is not inconsistent with pipeline safety.

“(B) **HEARING.**—The Secretary may act on a waiver under this paragraph only after notice and an opportunity for a hearing.

“(2) **EMERGENCY WAIVERS.**—

“(A) **IN GENERAL.**—The Secretary by order may waive compliance with any part of an applicable standard prescribed under this chapter on terms the Secretary considers appropriate without prior notice and comment if the Secretary determines that—

“(i) it is in the public interest to grant the waiver;

“(ii) the waiver is not inconsistent with pipeline safety; and

“(iii) the waiver is necessary to address an actual or impending emergency involving pipeline transportation, including an emergency caused by a natural or manmade disaster.

“(B) **PERIOD OF WAIVER.**—A waiver under this paragraph may be issued for a period of not more than 60 days and may be renewed upon application to the Secretary only after notice and an opportunity for a hearing on the waiver. The Secretary shall immediately revoke the waiver if continuation of the waiver would not be consistent with the goals and objectives of this chapter.

“(3) **STATEMENT OF REASONS.**—The Secretary shall state in an order issued under this subsection the reasons for granting the waiver.”.

**SEC. 11. RESTORATION OF OPERATIONS.**

Section 60117 is amended by adding at the end the following:

“(m) **RESTORATION OF OPERATIONS.**—

“(1) **IN GENERAL.**—The Secretary may advise, assist, and cooperate with the heads of other departments, agencies, and instrumentalities of the United States Government, the States, and public and private agencies and persons to facilitate the restoration of pipeline operations that have been or are anticipated to become disrupted by manmade or natural disasters.

“(2) **SAVINGS CLAUSE.**—Nothing in this section alters or amends the authorities and responsibilities of any department, agency, or instrumentality of the United States Government, other than the Department of Transportation.”.

**SEC. 12. PIPELINE CONTROL ROOM MANAGEMENT.**

(a) **IN GENERAL.**—Chapter 601 (as amended by sections 2(b), 6, and 8 of this Act) is further amended by adding at the end the following:

**“§ 60137. Pipeline control room management**

“(a) IN GENERAL.—Not later than June 1, 2008, the Secretary shall issue regulations requiring each operator of a gas or hazardous liquid pipeline to develop, implement, and submit to the Secretary or, in the case of an operator of an intrastate pipeline located within the boundaries of a State that has in effect an annual certification under section 60105, to the head of the appropriate State authority, a human factors management plan designed to reduce risks associated with human factors, including fatigue, in each control center for the pipeline. Each plan must include, among the measures to reduce such risks, a maximum limit on the hours of service established by the operator for individuals employed as controllers in a control center for the pipeline.

“(b) REVIEW AND APPROVAL OF THE PLAN.—The Secretary or, in the case of an operator of an intrastate pipeline located within the boundaries of a State that has in effect an annual certification under section 60105, the head of the appropriate State authority, shall review and approve each plan submitted to the Secretary or the head of such authority under subsection (a). The Secretary and the head of such authority may not approve a plan that does not include a maximum limit on the hours of service established by the operator of the pipeline for individuals employed as controllers in a control center for the pipeline.

“(c) ENFORCEMENT OF THE PLAN.—If the Secretary or the head of the appropriate State authority determines that an operator’s plan submitted to the Secretary or the head of such authority under subsection (a), or implementation of such a plan, does not comply with the regulations issued under this section or is inadequate for the safe operation of a pipeline, the Secretary or the head of such authority may take action consistent with this chapter and enforce the requirements of such regulations.

“(d) COMPLIANCE WITH THE PLAN.—Each operator of a gas or hazardous liquid pipeline shall document compliance with the plan submitted by the operator under subsection (a) and the reasons for any deviation from compliance with such plan. The Secretary or the head of the appropriate State authority, as the case may be, shall review the reasonableness of any such deviation in considering whether to take enforcement action or discontinue approval of the operator’s plan under subsection (b).

“(e) DEVIATION REPORTING REQUIREMENTS.—In issuing regulations under subsection (a), the Secretary shall develop and include in such regulations requirements for an operator of a gas or hazardous liquid pipeline to report deviations from compliance with the plan submitted by the operator under subsection (a).”.

(b) CLERICAL AMENDMENT.—The analysis for chapter 601 (as amended by sections 2(b), 6, and 8 of this Act) is further amended by adding at the end the following:

“60137. Pipeline control room management.”.

**SEC. 13. SAFETY ORDERS.**

Section 60117(l) is amended to read as follows:

“(l) SAFETY ORDERS.—

“(1) IN GENERAL.—Not later than December 31, 2007, the Secretary shall issue regulations providing that, after notice and opportunity for a hearing, if the Secretary determines that a pipeline facility has a condition that poses a pipeline

integrity risk to public safety, property, or the environment, the Secretary may order the operator of the facility to take necessary corrective action, including physical inspection, testing, repair, or other appropriate action, to remedy that condition.

“(2) CONSIDERATIONS.—In making a determination under paragraph (1), the Secretary, if relevant and pursuant to the regulations issued under paragraph (1), shall consider—

“(A) the considerations specified in paragraphs (1) through (6) of section 60112(b);

“(B) the likelihood that the condition will impair the serviceability of a pipeline;

“(C) the likelihood that the condition will worsen over time; and

“(D) the likelihood that the condition is present or could develop on other areas of the pipeline.”.

#### **SEC. 14. INTEGRITY PROGRAM ENFORCEMENT.**

Section 60109(c)(9)(A)(iii) is amended to read as follows:

“(iii) INADEQUATE PROGRAMS.—If the Secretary determines that a risk analysis or integrity management program does not comply with the requirements of this subsection or regulations issued as described in paragraph (2), has not been adequately implemented, or is inadequate for the safe operation of a pipeline facility, the Secretary may conduct proceedings under this chapter.”.

#### **SEC. 15. INCIDENT REPORTING.**

Not later than December 31, 2007, the Secretary of Transportation shall review the incident reporting requirements for operators of natural gas pipelines and modify the reporting criteria as appropriate to ensure that the incident data gathered accurately reflects incident trends over time, taking into consideration the recommendations from the Comptroller General in GAO report 06–946.

#### **SEC. 16. SENIOR EXECUTIVE SIGNATURE OF INTEGRITY MANAGEMENT PROGRAM PERFORMANCE REPORTS.**

Section 60109 (as amended by section 9 of this Act) is further amended by adding at the end the following:

“(f) CERTIFICATION OF PIPELINE INTEGRITY MANAGEMENT PROGRAM PERFORMANCE.—The Secretary shall establish procedures requiring certification of annual and semiannual pipeline integrity management program performance reports by a senior executive officer of the company operating a pipeline subject to this chapter. The procedures shall require a signed statement, which may be effected electronically in accordance with the provisions of the Electronic Signatures in Global and National Commerce Act (15 U.S.C. 7001 et seq.), certifying that—

“(1) the signing officer has reviewed the report; and

“(2) to the best of such officer’s knowledge and belief, the report is true and complete.”.

#### **SEC. 17. COST RECOVERY FOR DESIGN REVIEWS.**

Section 60117 (as amended by section 11 of this Act) is amended by adding at the end the following:

“(n) COST RECOVERY FOR DESIGN REVIEWS.—

“(1) IN GENERAL.—If the Secretary conducts facility design safety reviews in connection with a proposal to construct, expand, or operate a liquefied natural gas pipeline facility, the Secretary may require the person requesting such reviews to pay the associated staff costs relating to such reviews incurred by the Secretary in section 60301(d). The Secretary may assess such costs in any reasonable manner.

“(2) DEPOSIT.—The Secretary shall deposit all funds paid to the Secretary under this subsection into the Department of Treasury account 69–5172–0–2–407 or its successor account.

“(3) AUTHORIZATION OF APPROPRIATIONS.—Funds deposited pursuant to this subsection are authorized to be appropriated for the purposes set forth in section 60301(d).”.

**SEC. 18. AUTHORIZATION OF APPROPRIATIONS.**

(a) GAS AND HAZARDOUS LIQUID.—Section 60125(a) is amended to read as follows:

“(a) GAS AND HAZARDOUS LIQUID.—

“(1) IN GENERAL.—To carry out the provisions of this chapter related to gas and hazardous liquid and section 12 of the Pipeline Safety Improvement Act of 2002 (49 U.S.C. 60101 note; Public Law 107–355), the following amounts are authorized to be appropriated to the Department of Transportation from fees collected under section 60301 in each respective year:

“(A) For fiscal year 2007, \$60,175,000 of which \$7,386,000 is for carrying out such section 12 and \$17,556,000 is for making grants.

“(B) For fiscal year 2008, \$67,118,000 of which \$7,586,000 is for carrying out such section 12 and \$20,614,000 is for making grants.

“(C) For fiscal year 2009, \$72,045,000 of which \$7,586,000 is for carrying out such section 12 and \$21,513,000 is for making grants.

“(D) For fiscal year 2010, \$76,580,000 of which \$7,586,000 is for carrying out subsection 12 and \$22,252,000 is for making grants.

“(2) TRUST FUND AMOUNTS.—In addition to the amounts authorized to be appropriated by paragraph (1) the following amounts are authorized from the Oil Spill Liability Trust Fund to carry out the provisions of this chapter related to hazardous liquid and section 12 of the Pipeline Safety Improvement Act of 2002 (49 U.S.C. 60101 note; Public Law 107–355):

“(A) For fiscal year 2007, \$18,810,000 of which \$4,207,000 is for carrying out such section 12 and \$2,682,000 is for making grants.

“(B) For fiscal year 2008, \$19,000,000 of which \$4,207,000 is for carrying out such section 12 and \$2,682,000 is for making grants.

“(C) For fiscal year 2009, \$19,500,000 of which \$4,207,000 is for carrying out such section 12 and \$3,103,000 is for making grants.

“(D) For fiscal year 2010, \$20,000,000 of which \$4,207,000 is for carrying out such section 12 \$3,603,000 is for making grants.”.

(b) CONFORMING AMENDMENTS.—Section 60125 is amended—  
(1) by striking subsections (b) and (c); and

(2) by redesignating subsections (d) and (e) as subsections (b) and (c), respectively.

(c) EMERGENCY RESPONSE GRANTS.—Section 60125(b) (as redesignated by subsection (b)(2) of this section) is amended—

(1) in paragraph (1) by adding at the end the following: “To the extent that such grants are used to train emergency responders, such training shall ensure that emergency responders have the ability to protect nearby persons, property, and the environment from the effects of accidents or incidents involving gas or hazardous liquid pipelines, in accordance with existing regulations.”; and

(2) in paragraph (2)—

(A) by striking “\$6,000,000” and inserting “\$10,000,000”; and

(B) by striking “2003 through 2006” and inserting “2007 through 2010”.

(d) ONE-CALL NOTIFICATION PROGRAMS.—Section 6107 is amended—

(1) in subsection (a) by striking “fiscal years 2003 through 2006” and inserting “fiscal years 2007 through 2010”; and

(2) in subsection (b) by striking “for fiscal years 2003 through 2006” and inserting “for fiscal years 2007 through 2010”.

(e) INSPECTOR STAFFING.—The Secretary shall ensure that the number of positions for pipeline inspection and enforcement personnel at the Pipeline and Hazardous Materials Safety Administration does not fall below 100 for fiscal year 2007, 111 for fiscal year 2008, 123 for fiscal year 2009, and 135 for fiscal year 2010.

#### **SEC. 19. STANDARDS TO IMPLEMENT NTSB RECOMMENDATIONS.**

Not later than June 1, 2008, the Secretary of Transportation shall issue standards that implement the following recommendations contained in the National Transportation Safety Board’s report entitled “Supervisory Control and Data Acquisition (SCADA) in Liquid Pipelines” and adopted November 29, 2005:

(1) Implementation of the American Petroleum Institute’s Recommended Practice 165 for the use of graphics on the supervisory control and data acquisition screens.

(2) Implementation of a standard for pipeline companies to review and audit alarms on monitoring equipment.

(3) Implementation of standards for pipeline controller training that include simulator or noncomputerized simulations for controller recognition of abnormal pipeline operating conditions, in particular, leak events.

#### **SEC. 20. ACCIDENT REPORTING FORM.**

Not later than December 31, 2007, the Secretary of Transportation shall amend accident reporting forms to require operators of gas and hazardous liquid pipelines to provide data related to controller fatigue.

#### **SEC. 21. LEAK DETECTION TECHNOLOGY STUDY.**

Not later than December 31, 2007, the Secretary of Transportation shall submit to Congress a report on leak detection systems utilized by operators of hazardous liquid pipelines. The report shall include a discussion of the inadequacies of current leak detection systems, including their ability to detect ruptures and small leaks that are ongoing or intermittent, and what can be done to foster

development of better technologies as well as address existing technological inadequacies.

**SEC. 22. CORROSION CONTROL REGULATIONS.**

(a) **REVIEW.**—The Secretary of Transportation, in consultation with the Technical Hazardous Liquid Pipeline Safety Standards Committee and other appropriate entities, shall review the internal corrosion control regulations set forth in subpart H of part 195 of title 49 of the Code of Federal Regulations to determine if such regulations are currently adequate to ensure that the pipeline facilities subject to such regulations will not present a hazard to public safety or the environment.

(b) **REPORT.**—Not later than December 31, 2007, the Secretary shall submit to Congress a report containing the results of the review and may modify the regulations referred to in subsection (a) if necessary and appropriate.

**SEC. 23. INSPECTOR GENERAL REPORT.**

(a) **ASSESSMENT.**—Not later than December 31, 2007, the Inspector General of the Department of Transportation shall conduct an assessment of the actions the Department has taken in implementing the annex to the memorandum of understanding between the Secretary of Transportation and the Secretary of Homeland Security, dated September 28, 2004, relating to pipeline security.

(b) **SPECIFIED DUTIES OF INSPECTOR GENERAL.**—In carrying out the assessment, the Inspector General shall—

(1) provide a status report on implementation of the program elements outlined and developed in the annex;

(2) describe the roles, responsibilities, and authority of the Department of Transportation relating to pipeline security;

(3) assess the adequacy and effectiveness of the process by which the Department of Transportation has communicated and coordinated with the Department of Homeland Security on matters relating to pipeline security;

(4) address the adequacy of security standards for gas and oil pipelines in coordination, as necessary, with the Inspector General of the Department of Homeland Security; and

(5) consider any other issues determined to be appropriate by the Inspector General of the Department of Transportation or the Secretary of Transportation.

(c) **ASSESSMENT REPORT AND PERIODIC STATUS UPDATES.**—

(1) **ASSESSMENT REPORT.**—Not later than December 31, 2007, the Inspector General of the Department of Transportation shall transmit a report on the results of the assessment, together with any recommendations (including legislative options for Congress to consider), to the Committees on Transportation and Infrastructure and Energy and Commerce of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate.

(2) **PERIODIC STATUS REPORTS.**—The Inspector General shall transmit periodically to the Committees as referred to in paragraph (1), as necessary and appropriate, reports on matters pertaining to the implementation by the Department of Transportation of any recommendations contained in the report transmitted pursuant to paragraph (1).

(d) **FORMAT.**—The report, or portions of the report, under subsection (c)(1) may be submitted in a classified format if the Inspector General determines that such action is necessary.

**SEC. 24. TECHNICAL ASSISTANCE PROGRAM.**

(a) **IN GENERAL.**—The Secretary of Transportation may award, through a competitive process, grants to universities with expertise in pipeline safety and security to establish jointly a collaborative program to conduct pipeline safety and technical assistance programs.

(b) **DUTIES.**—In cooperation with the Pipeline and Hazardous Materials Safety Administration and representatives from States and boards of public utilities, the participants in the collaborative program established under subsection (a) shall be responsible for development of workforce training and technical assistance programs through statewide and regional partnerships that provide for—

- (1) communication of national, State, and local safety information to pipeline operators;
- (2) distribution of technical resources and training to support current and future Federal mandates; and
- (3) evaluation of program outcomes.

(c) **TRAINING AND EDUCATIONAL MATERIALS.**—The collaborative program established under subsection (a) may include courses in recent developments, techniques, and procedures related to—

- (1) safety and security of pipeline systems;
- (2) incident and risk management for such systems;
- (3) integrity management for such systems;
- (4) consequence modeling for such systems;
- (5) detection of encroachments and monitoring of rights-of-way for such systems; and
- (6) vulnerability assessment of such systems at both project and national levels.

(d) **REPORTS.**—

(1) **UNIVERSITY.**—Not later than March 31, 2009, the universities awarded grants under subsection (a) shall submit to the Secretary a report on the results of the collaborative program.

(2) **SECRETARY.**—Not later than October 1, 2009, the Secretary shall transmit the reports submitted to the Secretary under paragraph (1), along with any findings, recommendations, or legislative options for Congress to consider, to the Committees on Transportation and Infrastructure and Energy and Commerce of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate.

(e) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated such sums as may be necessary to carry out this section for each of fiscal years 2007 through 2010.

**SEC. 25. NATURAL GAS PIPELINES.**

The Secretary of Transportation shall review and comment on the Comptroller General report issued under section 14(d)(1) of the Pipeline Safety Improvement Act of 2002 (49 U.S.C. 60109 note; 116 Stat. 3005), and not later than 60 days after the date of enactment of this Act, transmit to Congress any legislative recommendations the Secretary considers necessary and appropriate to implement the conclusions of that report.

**SEC. 26. CORROSION TECHNOLOGY.**

Section 12 of the Pipeline Safety Improvement Act of 2002 (49 U.S.C. 60101 note; Public Law 107–355) is amended—

(1) in subsection (c)(2) by striking “corrosion,”;

(2) in subsection (c)—

(A) by striking “and” at the end of paragraph (9);

(B) by redesignating paragraph (10) as paragraph (11);

(C) by inserting after paragraph (9) the following:

“(10) corrosion detection and improving methods, best practices, and technologies for identifying, detecting, preventing, and managing internal and external corrosion and other safety risks; and”; and

(D) by adding at the end the following:

“The results of activities carried out under paragraph (10) shall be used by the participating agencies to support development and improvement of national consensus standards.”; and

(3) by striking subsection (f) and redesignating subsections (g) and (h) as subsections (f) and (g), respectively.

*Speaker of the House of Representatives.*

*Vice President of the United States and  
President of the Senate.*