

109TH CONGRESS
2^D SESSION

H. R. 5782

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.

IN THE HOUSE OF REPRESENTATIVES

JULY 13, 2006

Mr. YOUNG of Alaska (for himself and Mr. PETRI) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

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.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

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

3 (a) **SHORT TITLE.**—This Act may be cited as the
 4 “Pipeline Safety Improvement Act of 2006”.

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

12 (c) **TABLE OF CONTENTS.**—

Sec. 1. Short title; amendment of title 49, United States Code; table of contents.

Sec. 2. Pipeline safety and damage prevention.

Sec. 3. Distribution integrity management program rulemaking deadline.

Sec. 4. Pipeline control management.

Sec. 5. Low-stress pipelines.

Sec. 6. Authorization of appropriations.

Sec. 7. Standards to implement NTSB recommendations.

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

14 (a) **ONE-CALL CIVIL ENFORCEMENT.**—

15 (1) **IN GENERAL.**—Section 60114 is amended
 16 by adding at the end the following:

17 “(d) **ENFORCEMENT.**—Any person who engages in
 18 excavation activity without first using an available one-call
 19 notification system to establish the location of under-
 20 ground pipeline facilities in the excavation area or who dis-
 21 regards location information or markings established by
 22 an operator of a pipeline facility, and any operator of a

1 pipeline facility who fails to respond to a location request
2 in order to prevent damage to the pipeline or fails to take
3 reasonable steps, in response to such a request, to ensure
4 accurate marking of the location of the pipeline in order
5 to prevent damage to the pipeline, shall be subject to a
6 civil action under section 60120 or assessment of a civil
7 penalty under section 60122.

8 “(e) LIMITATION.—The Secretary may not conduct
9 an enforcement proceeding under subsection (d) within the
10 boundaries of a State that has the authority to impose
11 penalties described in section 60134(b)(7) against persons
12 who violate that State’s damage prevention laws and is
13 imposing such penalties.”.

14 (2) CONFORMING AMENDMENT.—Section
15 60122(a)(1) is amended in the first sentence by in-
16 serting “, 60114(d),” after “section 60114(b)”.

17 (b) STATE DAMAGE PREVENTION PROGRAMS.—

18 (1) CERTIFICATION.—Section 60105(b)(4) is
19 amended to read as follows:

20 “(4) has agreed to take actions toward estab-
21 lishing a program designed to prevent damage by ex-
22 cavation, demolition, tunneling, or construction ac-
23 tivity to the pipeline facilities to which the certifi-
24 cation applies that subjects persons who violate the
25 applicable requirements of that program to civil pen-

1 alties and other enforcement actions that are sub-
2 stantially the same as are provided under this chap-
3 ter, and addresses the elements in section
4 60134(b);”.

5 (2) REQUIREMENT.—Chapter 601 is amended
6 by adding at the end the following new section:

7 **“§ 60134. State damage prevention programs**

8 “(a) IN GENERAL.—The Secretary may make a grant
9 to a State authority (including a municipality with respect
10 to intrastate gas pipeline transportation) to assist in im-
11 proving the overall quality and effectiveness of a damage
12 prevention program of the State authority under sub-
13 section (e) if the State authority—

14 “(1)(A) has an annual certification in accord-
15 ance with section 60105 for such fiscal year; or

16 “(B) has an agreement with the Secretary in
17 accordance with section 60106; and

18 “(2) has agreed to take actions toward estab-
19 lishing an effective damage prevention program that
20 meets the requirements of subsection (b).

21 “(b) DAMAGE PREVENTION PROGRAM ELEMENTS.—
22 An effective damage prevention program includes the fol-
23 lowing elements:

24 “(1) Participation by operators, excavators, and
25 other stakeholders in the development and imple-

1 mentation of methods for establishing and maintain-
2 ing effective communications between stakeholders
3 from receipt of an excavation notification until suc-
4 cessful completion of the excavation, as appropriate.

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

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

13 “(4) Participation by operators, excavators, and
14 other stakeholders in the development and imple-
15 mentation of effective employee training programs to
16 ensure that operators, the one-call center, the en-
17 forcing agency, and the excavators have partnered to
18 design and implement training for the employees of
19 operators, excavators, and locators.

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

23 “(6) A process for resolving disputes that de-
24 fines the State authority’s role as a partner and
25 facilitator to resolve issues.

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

6 “(8) A process for fostering and promoting the
7 use, by all appropriate stakeholders, of improving
8 technologies that may enhance communications, un-
9 derground pipeline locating capability, and gathering
10 and analyzing information about the accuracy and
11 effectiveness of locating programs.

12 “(9) A process for review and analysis of the ef-
13 fectiveness of each program element, including a
14 means for implementing improvements identified by
15 such program reviews.

16 “(c) FACTORS TO CONSIDER.—In making grants
17 under this section, the Secretary shall take into consider-
18 ation the commitment of each State to ensuring the effec-
19 tiveness of its damage prevention program, including legis-
20 lative and regulatory actions taken by the State.

21 “(d) APPLICATION.—If a State authority files an ap-
22 plication for a grant under this section not later than Sep-
23 tember 30 of a calendar year and demonstrates that the
24 Governor (or chief executive) of the State has designated
25 it as the appropriate State authority to receive the grant,

1 the Secretary shall review the State’s damage prevention
2 program to determine its effectiveness.

3 “(e) GRANTS FOR EFFECTIVE PROGRAMS.—For a
4 program of a State authority the Secretary determines to
5 be effective, the Secretary may make a grant to the State
6 authority for the cost of the personnel, equipment, and
7 activities the State authority reasonably requires during
8 the next calendar year to carry out its damage prevention
9 program in accordance with subsection (b).

10 “(f) NONAPPLICABILITY OF LIMITATION.—A grant
11 made under this section is not subject to the section
12 60107(a) limitation on the maximum percentage of funds
13 to be paid by the Secretary.

14 “(g) LIMITATION ON USE OF FUNDS.—Funds pro-
15 vided under this section may not be used for lobbying or
16 in direct support of litigation.

17 “(h) FUNDING.—To carry out this section, the Sec-
18 retary shall make available (from amounts appropriated
19 to the Secretary under section 60125(b) for each of fiscal
20 years 2008 through 2012) the following respective
21 amounts:

22 “(1) \$1,500,000 for fiscal year 2008.

23 “(2) \$1,750,000 for fiscal year 2009.

24 “(3) \$2,000,000 for fiscal year 2010.

25 “(4) \$2,500,000 for fiscal year 2011.

1 “(5) \$3,000,000 for fiscal year 2012.
2 Such funds shall remain available until expended.”.

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

“60134. State damage prevention programs.”.

6 (c) STATE PIPELINE SAFETY GRANTS.—Section
7 60107(a) is amended by striking “not more than 50 per-
8 cent” and inserting “not more than 80 percent”.

9 **SEC. 3. DISTRIBUTION INTEGRITY MANAGEMENT PRO-**
10 **GRAM RULEMAKING DEADLINE.**

11 Section 60109 of title 49, United States Code, is
12 amended by adding at the end the following:

13 “(e) DISTRIBUTION INTEGRITY MANAGEMENT PRO-
14 GRAMS.—

15 “(1) MINIMUM STANDARDS.—Not later than 1
16 year after the date of enactment of this subsection,
17 the Secretary shall prescribe minimum standards for
18 integrity management programs for distribution
19 pipelines.

20 “(2) ADDITIONAL AUTHORITY OF SEC-
21 RETARY.—In carrying out this subsection, the Sec-
22 retary may require operators of distribution pipe-
23 lines to continually identify and assess risks on their
24 distribution lines, to remediate conditions that

1 present a potential threat to line integrity, and to
2 monitor program effectiveness.

3 “(3) EXCESS FLOW VALVES.—The minimum
4 standards shall include criteria for requiring opera-
5 tors of natural gas distribution systems—

6 “(A) to install excess flow valves on single-
7 family residential service lines that are installed
8 or replaced after the date of enactment of this
9 subsection on the basis of feasibility and risk
10 analysis; and

11 “(B) to report to the Secretary annually
12 on the number of excess flow valves installed on
13 their systems under subparagraph (A).

14 “(4) APPLICABILITY.—The Secretary shall de-
15 termine which distribution pipelines will be subject
16 to the minimum standards.

17 “(5) DEVELOPMENT AND IMPLEMENTATION.—
18 Each operator of a distribution pipeline that Sec-
19 retary determines is subject to the minimum stand-
20 ards prescribed by the Secretary under this sub-
21 section shall develop and implement an integrity
22 management program in accordance with those
23 standards.”.

1 **SEC. 4. PIPELINE CONTROL MANAGEMENT.**

2 (a) STANDARDS.—Not later than 18 months after the
3 date of enactment of this Act, the Secretary of Transpor-
4 tation shall issue regulations establishing standards for
5 managing gas and hazardous liquid pipelines to reduce
6 risks associated with human factors, including fatigue.

7 (b) RISK EVALUATION.—In carrying out this section,
8 the Secretary may require operators of gas and hazardous
9 liquid pipelines to evaluate the risks associated with
10 human factors, including fatigue, and take measures to
11 reduce such risks with respect to their pipelines.

12 (c) APPLICABILITY.—The Secretary shall determine
13 which pipelines are subject to the standards issued under
14 this section.

15 (d) RISK MANAGEMENT.—Each operator of a pipe-
16 line that the Secretary determines is subject to the stand-
17 ards established by the Secretary under this section shall
18 manage the control of the pipeline in accordance with
19 those standards.

20 **SEC. 5. LOW-STRESS PIPELINES.**

21 Section 60102(k) of title 49, United States Code, is
22 amended to read as follows:

23 “(k) LOW-STRESS HAZARDOUS LIQUID PIPE-
24 LINES.—

25 “(1) MINIMUM STANDARDS.—Not later than 1
26 year after the date of enactment of this paragraph,

1 the Secretary shall issue minimum standards for the
2 transportation of hazardous liquids by low-stress
3 pipelines located in proximity to areas unusually sen-
4 sitive to environmental damage as defined by the
5 Secretary under section 60109(b) and by regulation.

6 “(2) LOW-STRESS PIPELINE DEFINED.—For
7 purposes of this subsection, a ‘low-stress pipeline’
8 means a hazardous liquid pipeline that is operated
9 in its entirety at a stress level of 20 percent or less
10 of the specified minimum yield strength of the line
11 pipe of the pipeline and has a diameter of greater
12 than 8⁵/₈ inches.

13 “(3) APPLICABILITY.—The Secretary shall de-
14 termine which low-stress pipelines are subject to the
15 minimum standards issued under this subsection.

16 “(4) REQUIREMENT.—Each operator of a low-
17 stress pipeline that the Secretary determines is sub-
18 ject to the minimum standards issued by the Sec-
19 retary under this subsection shall operate the pipe-
20 line in accordance with those standards.”.

21 **SEC. 6. AUTHORIZATION OF APPROPRIATIONS.**

22 (a) GAS AND HAZARDOUS LIQUID.—Section
23 60125(a) is amended to read as follows:

24 “(a) GAS AND HAZARDOUS LIQUID.—To carry out
25 this chapter (except for section 60107) related to gas and

1 hazardous liquid, the following amounts are authorized to
2 be appropriated to the Department of Transportation:

3 “(1) For fiscal year 2007, \$55,497,000, of
4 which \$39,872,000 is to be derived from user fees
5 collected under section 60301 and \$15,625,000 is to
6 be derived from the Oil Spill Liability Trust Fund
7 established by section 9509 of the Internal Revenue
8 Code of 1986.

9 “(2) For fiscal year 2008, \$57,997,000, of
10 which \$42,651,000 is to be derived from such fees
11 and \$15,346,000 is to be derived from the Fund.

12 “(3) For fiscal year 2009, \$60,482,000, of
13 which \$44,839,000 is to be derived from such fees
14 and \$16,003,000 is to be derived from the Fund.

15 “(4) For fiscal year 2010, \$62,375,000, of
16 which \$46,444,000 is to be derived from such fees
17 and \$15,931,000 is to be derived from the Fund.

18 “(5) For fiscal year 2011, \$62,375,000, of
19 which \$46,444,000 is to be derived from such fees
20 and \$15,931,000 is to be derived from the Fund.

21 “(6) For fiscal year 2012, \$62,375,000, of
22 which \$46,444,000 is to be derived from such fees
23 and \$15,931,000 is to be derived from the Fund.”.

24 (b) STATE GRANTS.—Section 60125(b)(1) is amend-
25 ed to read as follows:

1 “(1) To carry out section 60107, the following
2 amounts are authorized to be appropriated to the Depart-
3 ment of Transportation:

4 “(A) For fiscal year 2007, \$20,238,000, of
5 which \$17,053,000 is to be derived from user fees
6 collected under section 60301 and \$3,185,000 is to
7 be derived from the Oil Spill Liability Trust Fund.

8 “(B) For fiscal year 2008, \$23,221,000, of
9 which \$19,567,000 is to be derived from such fees
10 and \$3,654,000 is to be derived from the Fund. Of
11 the amounts so appropriated, \$1,500,000 shall be
12 available for grants to States under section 60134.

13 “(C) For fiscal year 2009, \$24,513,000, of
14 which \$20,656,000 is to be derived from such fees
15 and \$3,857,000 is to be derived from the Fund. Of
16 the amount so appropriated, \$1,750,000 shall be
17 available for grants to States under section 60134.

18 “(D) For fiscal year 2010, \$25,855,000, of
19 which \$21,786,000 is to be derived from such fees
20 and \$4,069,000 is to be derived from the Fund. Of
21 the amount so appropriated, \$2,000,000 shall be
22 available for grants to States under section 60134.

23 “(E) For fiscal year 2011, \$25,855,000, of
24 which \$21,786,000 is to be derived from such fees
25 and \$4,069,000 is to be derived from the Fund. Of

1 the amount so appropriated, \$2,000,000 shall be
2 available for grants to States under section 60134.

3 “(F) For fiscal year 2012, \$25,855,000, of
4 which \$21,786,000 is to be derived from such fees
5 and \$4,069,000 is to be derived from the Fund. Of
6 the amount so appropriated, \$2,000,000 shall be
7 available for grants to States under section 60134.”.

8 (c) CONFORMING AMENDMENTS.—Section 60125 is
9 amended—

10 (1) by striking subsection (c); and

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

13 (d) EMERGENCY RESPONSE GRANTS.—Section
14 60125(c)(2) (as redesignated by subsection (c)(2) of this
15 section) is amended by striking “2003 through 2006” and
16 inserting “2007 through 2012”.

17 (e) ONE-CALL NOTIFICATION PROGRAMS.—Section
18 6107 is amended—

19 (1) in subsection (a) by striking “fiscal years
20 2003 through 2006” and inserting “fiscal years
21 2007 through 2012”; and

22 (2) in subsection (b) by striking “for fiscal
23 years 2003 through 2006” and inserting “for fiscal
24 years 2007 through 2012”.

1 **SEC. 7. STANDARDS TO IMPLEMENT NTSB RECOMMENDA-**
2 **TIONS.**

3 Not later than 18 months after the date of enactment
4 of this Act, the Secretary of Transportation shall issue
5 standards that implement the following recommendations
6 contained in the National Transportation Safety Board's
7 report entitled "Supervisory Control and Data Acquisition
8 (SCADA) in Liquid Pipelines" and adopted November 29,
9 2005:

10 (1) Implementation of the American Petroleum
11 Institute's Recommended Practice 165 for the use of
12 graphics on the supervisory control and data acquisi-
13 tion screens.

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

17 (3) Implementation of standards for pipeline
18 controller training that include simulator or non-
19 computerized simulations for controller recognition
20 of abnormal pipeline operating conditions, in par-
21 ticular, leak events.

○