

## **BILL ANALYSIS**

S.B. 901  
By: Fraser  
Energy Resources  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Currently, Chapter 117 (Hazardous Liquid or Carbon Dioxide Pipeline Transportation Industry), Texas Natural Resources Code, and Chapter 121 (Gas Pipelines), Texas Utilities Code, contain references to federal pipeline safety laws that are the source of delegated authority to the Railroad Commission of Texas (railroad commission) for the pipeline safety program. The references are inconsistent and outdated.

S.B. 901 updates and regularizes citation to federal pipeline safety laws in the state statutes administered by the railroad commission.

As proposed, S.B. 901 amends current law relating to safety standards and practices applicable to the transportation by pipeline of certain substances.

### **RULEMAKING AUTHORITY**

Rulemaking authority previously granted to the Railroad Commission of Texas is modified in SECTION 5 (Section 117.012, Natural Resources Code), SECTION 10 (Section 211.012, Natural Resources Code), and SECTION 11 (Section 121.201, Utilities Code) of this bill.

### **ANALYSIS**

SECTION 1. Amends Section 91.251(1), Natural Resources Code, to redefine "intrastate gas pipeline facility."

SECTION 2. Amends Section 91.252(b), Natural Resources Code, to provide that this subchapter does not apply to a storage facility that is part of an interstate gas pipeline facility as defined by the United States Department of Transportation, and subject to the federal minimum standards adopted under 49 U.S.C. Section 60101 et seq., rather than Chapter 601, Title 49, United States Code, et seq., and its subsequent amendments or a succeeding law.

SECTION 3. Amends Section 117.001(2), Natural Resources Code, to redefine "hazardous liquid."

SECTION 4. Amends Section 117.011(a), Natural Resources Code, to make a conforming change.

SECTION 5. Amends Section 117.012(c), Natural Resources Code, to require that the safety standards adopted by the Railroad Commission of Texas (railroad commission) in its rules be compatible with those standards established by the United States secretary of transportation under 49 U.S.C. Section 60101 et seq. and its subsequent amendments of a succeeding law, rather than the Hazardous Liquid Pipeline Safety Act of 1979 (Pub.L.No. 96-129).

SECTION 6. Amends Section 117.013(a), Natural Resources Code, to require each owner or operator of a pipeline engages in the transportation of hazardous liquids or carbon dioxide within this state to maintain records, make reports, and provide any information the railroad

commission is required under the jurisdiction granted by this chapter, rather than the Hazardous Liquid Pipeline Safety Act of 1979 (Pub.L.No. 96-129) and this chapter, this chapter and 49 U.S.C. Section 60101 et seq. and its subsequent amendments or a succeeding law.

SECTION 7. Amends Section 117.015, Natural Resources Code, to require the railroad commission to make reports and certifications to the United States Department of Transportation and take any other actions necessary to comply with 49 U.S.C. Section 60101 et seq. and its subsequent amendments or a succeeding law, rather than comply with the Hazardous Liquid Pipeline Safety Act of 1979 (Pub.L.No.96-129).

SECTION 8. Amends Section 211.001(3), Natural Resources Code, to redefine "salt dome storage of hazardous liquids."

SECTION 9. Amends Section 211.002(c), Natural Resources Code, to redefine "safety standards or practices."

SECTION 10. Amends Section 211.012(a), Natural Resources Code, to require the railroad commission by rule to adopt safety standards and practices for the salt dome storage of hazardous liquids and the facilities used for that purpose. Requires that safety standards and practices adopted by the railroad commission for a storage facility that is part of an intrastate pipeline facility, as defined by the federal Department of Transportation under U.S.C. Section 60101 et seq. and its subsequent amendments or a succeeding law, rather than the Hazardous Liquid Pipeline Safety Act of 1979 (49 U.S.C. Section 2001 et seq., be compatible with federal minimum standards.

SECTION 11. Amends Sections 121.201(a), (b), and (c), Utilities Code, as follows:

(a) Authorizes the railroad commission to take certain actions, including to, by rule, take any other requisite action in accordance with 49 U.S.C. Section 60101 et seq. and its subsequent amendments or a succeeding law.

(b) Provides that the power granted by Subsection (a) does not apply to the transportation of gas or to gas facilities subject to the exclusive control of the United States but applies to the transportation of gas and gas pipeline facilities in this state to the maximum degree permissible under 49 U.S.C. Section 60101 et seq. and its subsequent amendments or a succeeding law and is granted to provide exclusive state control over safety standards and practices applicable to the transportation of gas and gas pipeline facilities within the borders of this state to the maximum degree permissible under that law.

(c) Provides that a term that is used in this section and defined by 49 U.S.C. Section 60101 et seq. and its subsequent amendments, rather than Chapter 601, Title 49, United States Code, or a succeeding law has the meaning assigned by that law, rather than that chapter or the succeeding law.

SECTION 12. Amends Section 121.452, Utilities Code, to provide that this chapter does not apply to certain systems or facilities, including an interstate gas pipeline facility, as defined by 49 U.S.C. Section 60101 and its subsequent amendments or a succeeding law, that is used for the transportation of sour gas.

SECTION 13. Amends Section 26.344(c), Water Code, to provide that an interstate pipeline facility, including gathering lines, or an aboveground storage tank connected to such a facility is exempt from regulation under this subchapter if the pipeline facility is regulated under U.S.C. Section 60101 et seq. and its subsequent amendments or a succeeding law, rather than under the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. Section 1671 et seq.) or the Hazardous Liquid Pipeline Safety Act of 1979 (U.S.C. Section 2001 et seq.).

SECTION 14. Effective date: September 1, 2013.

**EFFECTIVE DATE**

September 1, 2013