

SUBJECT: Railroad Commission authority to regulate pipeline safety

COMMITTEE: Energy Resources — favorable, without amendment

VOTE: 8 ayes — Holzheuser, West, Hawley, Hirschi, Jackson, Ramsay, Smithee, Torres
0 nays
1 absent — Dutton

SENATE VOTE: On final passage, February 27 — 27-0

WITNESSES: For — James Mann, Association of Texas Intrastate Natural Gas Pipelines; George Strong, Enron Corporation.
Against — None

BACKGROUND: The federal government preempted state and local natural gas pipeline safety regulation in the Natural Gas Pipeline Safety Act of 1968. Since then the federal government has given the Texas Railroad Commission (TRC) sole authority to regulate natural gas pipeline safety. VACS art. 6053-1 specifies that to the extent permitted by federal law the TRC has authority over gas transportation and pipeline safety standards.

DIGEST: SB 540 would prohibit a municipality or county from adopting or enforcing an ordinance that established safety standards or practices applicable to the transportation of gas or gas pipeline facilities.

Cities could adopt ordinances establishing conditions for mapping, inventorying, installing or relocating pipelines over, under, along or across public streets and alleys or private residential areas within the boundaries of the city and establish conditions for mapping or inventorying in other areas within a city's extraterritorial jurisdiction.

The bill would specify that state control over safety standards applicable to all transportation of gas and gas pipeline facilities belongs exclusively to

the Railroad Commission, to the degree allowed by the federal Natural Gas Pipeline Safety Act or any successor legislation.

The bill would take immediate effect if approved by two-thirds of the membership of each house.

**SUPPORTERS
SAY:**

This bill would clarify that to the extent allowed by federal law, the Railroad Commission is the agent of state control over gas transmission and pipeline safety and that municipal and county powers are limited.

The commission, through authority granted by the United States Department of Transportation (USDOT), conducts pipeline safety programs and regulates the transportation of gas and gas pipeline facilities in Texas. The TRC has met strict USDOT requirements relating to the establishment of a safety program and is the only entity in the state certified to administer a natural gas safety program.

The bill would grant no new authority to the state, but would make clear that the state has exclusive authority to regulate natural gas safety standards. Nor would the bill infringe on municipal or county authority to establish conditions for mapping, inventorying, installing or relocating gas pipelines within their jurisdictions.

The commission has the technical and professional expertise to administer safety programs and, in fact, has more safety inspectors for Texas than the USDOT has for the nation. The TRC must annually certify that its safety program complies with USDOT regulations and must demonstrate that the state has a superior natural gas pipeline, transportation and gas facilities safety rating to maintain its certification.

SB 480 would continue to mandate uniform safety regulations and leave authority over standards in the hands of the agency best equipped to handle them. This legislation would make Texas natural gas pipeline safety statutes consistent with the Texas hazardous liquids storage and safety statutes.

**OPPONENTS
SAY:**

No apparent opposition.