

- SUBJECT:** Repealing requirements for notification of pipeline construction
- COMMITTEE:** Energy Resources — favorable, without amendment
- VOTE:** 6 ayes — West, Farabee, E. Jones, Canales, Crabb, B. Keffer  
0 nays  
1 absent — Delisi
- WITNESSES:** For — Tom Harwell, Koch Pipeline Co.; James Mann, Texas Pipeline Association; Ben Sebree, Texas Oil and Gas Association; Alan D. Wurtz; *(Registered, but did not testify:)* Marty Allday, Copano Energy and Enbridge Energy; Danny Bivens, Center Point Energy; Kinnan Coleman, Shell Oil Company/Devon Energy; Julie Moore, Occidental Petroleum Corp.; William Nikolis, TEPPCO; Patrick Nugent, Texas Pipeline Association; Kym Olson, El Paso Corp.; Shayne Woodard, Duke Energy and Sunoco, Inc.
- Against — *(Registered, but did not testify:)* Tom “Smitty” Smith, Public Citizen
- BACKGROUND:** Natural Resources Code, sec. 81.056, enacted by the 77th Legislature as part of SB 310 by Harris, the Texas Railroad Commission (RRC) sunset bill, requires a pipeline operator who builds or extends a pipeline system that crosses more than three counties to publish notice of the proposed route in a newspaper in each county. The notice must be published at least 30 days but no more than one year before the start of construction. The RRC must certify that the person requesting the permit has provided a copy of the application to each county’s judge, commissioners, and fire marshals and to the regional water planning group. The commission also must review and consider public comments regarding the proposed project.
- DIGEST:** HB 1931 would repeal Natural Resources Code, sec. 81.056. The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2003. It would apply to a permit application pending with the RRC on the effective date or filed on or after that date.

**SUPPORTERS  
SAY:**

HB 1931 would benefit the economy and citizens of Texas by removing the barriers that slow improvements of the state's pipeline infrastructure. The public notification and input requirements of existing law delay pipeline construction needed to bring oil and gas to the end user, forcing consumers to pay higher prices for these products. By eliminating the notice requirements for building or extending a pipeline, HB 1931 would speed the construction process for Texas pipeline operators.

Public notification and hearings for pipeline construction are unnecessary, as governmental regulation already prevents dangerous or harmful projects. The RRC has a comprehensive review process for evaluating proposed pipeline construction projects, and this review accounts for environmental and public safety considerations. The RRC has many rules to govern pipeline safety, many of which go above and beyond federal requirements. Repeal of the existing statute would not affect the public safety or environmental quality of any community in Texas.

HB 1931 would reduce the regulatory burden for pipeline operators in areas of the state where pipeline construction and extension is not a pressing public issue. In environmentally sensitive or densely populated regions, the RRC would continue to provide ample opportunity for public comment and participation in the permitting process. By eliminating the public comment requirement in communities where the potential for harm or opposition does not exist, HB 1931 would free the RRC to concentrate its resources on more productive pipeline safety efforts.

**OPPONENTS  
SAY:**

In 2001, the Legislature determined that Texas citizens should know when a potentially hazardous pipeline construction project was planned for their community. Although the RRC regulates pipeline safety, Texas citizens have specific knowledge about their communities that should be considered in the permitting process. For example, citizens are likely to know about environmentally sensitive aquifers and species habitat that could be disrupted by a pipeline. Also, public comment can serve as an important balance to commercial pressure in the regulatory process. For these reasons, HB 1931 would represent a step backward for pipeline safety in Texas.