



Senate

General Assembly

February Session, 2004

File No. 463

Senate Bill No. 150

Senate, April 6, 2004

The Committee on Judiciary reported through SEN. MCDONALD of the 27th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT CONCERNING GAS PIPELINE SAFETY.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 16-280d of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2004*):

3 The Department of Public Utility Control shall require any person
4 that owns any pipeline facilities or that engages in the transportation
5 of gas or maintains pipeline facilities within the state to maintain such
6 records, make such reports and provide such inspections as are
7 required by the federal act or by any regulation adopted by the
8 department pursuant to subsection (b) or (c) of section 16-280b. If the
9 department investigates an accident involving such a pipeline facility,
10 the operator of the facility shall make available to the department all
11 records and information that pertain to the accident, including, but not
12 limited to, integrity management plans or test results, and shall afford
13 all reasonable assistance to the department in the investigation of the
14 accident. The department may require the filing of such information as

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 05 \$	FY 06 \$
Resources of the General Fund	GF - Revenue Gain	Potential Significant	Potential Significant
Public Utility Control, Dept.	CC&PUCF - None	None	None

Note: GF=General Fund; CC&PUCF=Consumer Counsel and Public Utility Control Fund

Municipal Impact: None

Explanation

The bill revises the Department of Public Utility Control's (DPUC) existing pipeline safety statutes to make them more consistent with recent modifications to federal law. It also makes a variety of changes, which include requiring pipeline operators to cooperate with the DPUC during an investigation of an accident by providing information and assistance to the DPUC and changing the existing maximum fining provisions concerning gas pipeline safety to instead have the maximum fine level tied to the level authorized under federal law. Linking the state's maximum civil fine to federal law effectively raises it from \$500,000 to \$1,000,000. Although the likelihood and frequency of future violations is uncertain, even a single violation could yield a significant revenue gain under the bill.

OLR Bill Analysis

SB 150

AN ACT CONCERNING GAS PIPELINE SAFETY**SUMMARY:**

This bill requires the operator of a gas pipeline or related facility to make available to the Department of Public Utility Control (DPUC) all records and information regarding the pipeline or facility, if it is involved in an accident that DPUC investigates. The information and records include integrity management plans and test results. The bill requires the operator to give DPUC all reasonable assistance in its investigation of the accident.

DPUC regulates gas pipeline safety under state law and under authority delegated to it by the U.S. Department of Transportation (USDOT) under federal law. The bill authorizes an additional civil penalty for certain violations of the state and federal pipeline safety laws. It specifies that the ability to impose these penalties does not limit DPUC's ability to impose criminal penalties for obstructing the department or making false entries and returns.

The bill also repeals an obsolete provision on facilities subject to Federal Energy Regulatory Commission jurisdiction.

EFFECTIVE DATE: October 1, 2004

CIVIL PENALTIES

Under current law, the maximum penalty for most gas pipeline offenses is \$25,000 per day per violation. But, for (1) violations of the state laws on accidents and compacts that DPUC has entered into with USDOT and (2) a related series of violations, the maximum is \$500,000. The bill instead sets the maximum penalty as that established under federal law. Under federal laws, the maximum penalty for most single violations and for a series of violations is the same as current state law. However, the maximum penalty for violations of liquefied natural gas pipeline standards and financial responsibility requirements is \$50,000 per violation, which can be added to the generic penalty.

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable Change of Reference
Yea 16 Nay 0

Judiciary Committee

Joint Favorable Report
Yea 34 Nay 0