



## Senate Bill No. 295

### CHAPTER 607

An act to add Section 51015.1 to the Government Code, relating to pipeline safety.

[Approved by Governor October 8, 2015. Filed with Secretary of State October 8, 2015.]

#### LEGISLATIVE COUNSEL'S DIGEST

SB 295, Jackson. Pipeline safety: inspections.

Under the Elder California Pipeline Safety Act of 1981, the State Fire Marshal exercises safety regulatory jurisdiction over intrastate pipelines used for the transportation of hazardous or highly volatile liquid substances. The act authorizes the State Fire Marshal to exercise safety regulatory jurisdiction over portions of interstate pipelines located within the state and subject to an agreement between the United States Secretary of Transportation and the State Fire Marshal. The act authorizes the State Fire Marshal to enter, inspect, and examine, at reasonable times and in a reasonable manner, the records and properties of any pipeline operator that are required to be inspected and examined to determine whether the pipeline operator is in compliance with the act.

This bill would require, commencing January 1, 2017, the State Fire Marshal, or an officer or employee authorized by the State Fire Marshal, to annually inspect all intrastate pipelines and operators of intrastate pipelines under the jurisdiction of the State Fire Marshal, and would require the State Fire Marshal to adopt regulations implementing this provision by that date. The bill would prohibit the State Fire Marshal from becoming an inspection agent for specified interstate pipelines unless all regulatory and enforcement authority over those pipelines is transferred to the State Fire Marshal from the federal Pipeline and Hazardous Materials Safety Administration. The bill would require the State Fire Marshal to revise specified fees assessed to cover the costs associated with this measure.

*The people of the State of California do enact as follows:*

SECTION 1. Section 51015.1 is added to the Government Code, to read:  
51015.1. (a) Commencing January 1, 2017, the State Fire Marshal, or an officer or employee authorized by the State Fire Marshal, shall annually inspect all intrastate pipelines and operators of intrastate pipelines under the jurisdiction of the State Fire Marshal to ensure compliance with applicable laws and regulations. By January 1, 2017, the State Fire Marshal shall adopt regulations implementing this subdivision.

(b) For portions of interstate pipelines that are not under the jurisdiction of the State Fire Marshal pursuant to Section 51010.6, the State Fire Marshal shall not become an inspection agent for those pipelines unless all regulatory and enforcement authority over those pipelines is transferred to the State Fire Marshal from the federal Pipeline and Hazardous Materials Safety Administration.

(c) The State Fire Marshal shall revise the fee assessed pursuant to Section 51019 to a level sufficient to cover the costs associated with the implementation of this section.

O



California  
LEGISLATIVE INFORMATION

**AB-864 Oil spill response: environmentally and ecologically sensitive areas.** (2015-2016)

**Assembly Bill No. 864**

**CHAPTER 592**

An act to add Section 51013.1 to the Government Code, relating to oil spill response.

[ Approved by Governor October 08, 2015. Filed with Secretary of State  
October 08, 2015. ]

**LEGISLATIVE COUNSEL'S DIGEST**

AB 864, Williams. Oil spill response: environmentally and ecologically sensitive areas.

The Lempert-Keene-Seastrand Oil Spill Prevention and Response Act requires owners or operators of various facilities, including pipelines, while operating in the waters of the state or where a spill from the pipelines could impact state waters, to have an oil spill contingency plan submitted to, and approved by, the administrator for oil spill response to ensure prompt and adequate response and removal action in case of a spill. The act requires the operator to maintain a level of readiness that will allow effective implementation of the applicable contingency plan.

The Elder California Pipeline Safety Act of 1981, among other things, requires the State Fire Marshal to adopt hazardous liquid pipeline safety regulations in compliance with the federal law relating to hazardous liquid pipeline safety. The act requires any new pipeline constructed after January 1, 1984, and which normally operates under conditions of constant flow and pressure, to be designed and constructed in accordance with specified federal regulations, and have a means of leak detection and cathodic protection that the State Fire Marshal determines is acceptable. A violation of the act is a crime. Except as provided, the act defines "pipeline" as including every intrastate pipeline used to transport hazardous liquid substances or highly volatile liquid substances, as provided.

This bill would require, by January 1, 2018, any new or replacement pipeline near environmentally and ecologically sensitive areas in the coastal zone to use best available technologies to reduce the amount of oil released in an oil spill to protect state waters and wildlife. The bill would require, by July 1, 2018, an operator of an existing pipeline near these sensitive areas to submit a plan to retrofit the pipeline, by January 1, 2020, as provided. By creating a new crime, the bill would impose a state-mandated local program. The bill would require the State Fire Marshal to adopt regulations relating to the above provisions by July 1, 2017.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: yes

**THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:**

**SECTION 1.** Section 51013.1 is added to the Government Code, to read:

**51013.1.** (a) By January 1, 2018, any new or replacement pipeline near environmentally and ecologically sensitive areas in the coastal zone shall use best available technology, including, but not limited to, the

installation of leak detection technology, automatic shutoff systems, or remote controlled sectionalized block valves, or any combination of these technologies, based on a risk analysis conducted by the operator, to reduce the amount of oil released in an oil spill to protect state waters and wildlife.

(b) (1) By July 1, 2018, an operator of an existing pipeline near environmentally and ecologically sensitive areas in the coastal zone shall submit a plan to retrofit, by January 1, 2020, existing pipelines near environmentally and ecologically sensitive areas in the coastal zone with the best available technology, including, but not limited to, installation of leak detection technologies, automatic shutoff systems, or remote controlled sectionalized block valves, or any combination of these technologies, based on a risk analysis conducted by the operator to reduce the amount of oil released in an oil spill to protect state waters and wildlife.

(2) An operator may request confidential treatment of information submitted in the plan required by paragraph (1) or contained in any documents associated with the risk analysis described in this section, including, but not limited to, information regarding the proposed location of automatic shutoff valves or remote controlled sectionalized block valves.

(c) The State Fire Marshal shall adopt regulations pursuant to this section by July 1, 2017. The regulations shall include, but not be limited to, all of the following:

(1) A definition of automatic shutoff systems.

(2) A process to assess the adequacy of the operator's risk analysis.

(3) A process by which an operator may request confidential treatment of information submitted in the plan required by paragraph (1) of subdivision (b) or contained in any documents associated with the risk analysis described in this section.

(4) A determination of how near to an environmentally and ecologically sensitive area a pipeline must be to be subject to the requirements of this section based on the likelihood of the pipeline impacting those areas.

(d) An operator of a pipeline near environmentally and ecologically sensitive areas in the coastal zone shall notify the Office of the State Fire Marshal of any new construction or retrofit of pipeline in these waters.

(e) For purposes of implementing this section, the State Fire Marshal shall consult with the Office of Spill Prevention and Response about the potential impacts to state water and wildlife.

(f) For purposes of this section, "environmentally and ecologically sensitive areas" is the same term as described in subdivision (d) of Section 8574.7.

(g) (1) For purposes of this section, "best available technology" means technology that provides the greatest degree of protection by limiting the quantity of release in the event of a spill, taking into consideration whether the processes are currently in use and could be purchased anywhere in the world.

(2) The State Fire Marshal shall determine what is the best available technology and shall consider the effectiveness and engineering feasibility of the technology when making this determination.

**SEC. 2.** No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.



California  
LEGISLATIVE INFORMATION

AB-1420 Oil and gas: pipelines. (2015-2016)

Assembly Bill No. 1420

CHAPTER 601

An act to add Section 101042 to the Health and Safety Code, and to add Sections 3270.5 and 3270.6 to the Public Resources Code, relating to oil and gas.

[ Approved by Governor October 08, 2015. Filed with Secretary of State  
October 08, 2015. ]

LEGISLATIVE COUNSEL'S DIGEST

AB 1420, Salas. Oil and gas: pipelines.

Existing law requires the Division of Oil, Gas, and Geothermal Resources to prescribe minimum facility maintenance standards for oil and gas production facilities, including pipelines that are not under the jurisdiction of the State Fire Marshal. Under the division's regulations, an owner or operator of an active environmentally sensitive gas pipeline that is a gathering line or an urban pipeline over 4 inches in diameter is required to perform a mechanical integrity test on the pipeline every 2 years, unless it is less than 10 years old.

This bill would require the division, by January 1, 2018, to review and evaluate, and update as appropriate, its existing regulations regarding all active gas pipelines that are 4 inches or less in diameter, in sensitive areas, and 10 years old or older, as specified. The bill would define active gas pipelines as inservice gas pipelines of any diameter within the division's jurisdiction. The bill would require operators of active gas pipelines in sensitive areas, by January 1, 2018, to submit to the division maps identifying the location of those pipelines and other locational information, as provided. The bill would require the division to perform random periodic spot check inspections to ensure that the submitted maps are accurately reported. The bill would require the division to maintain a list of active gas pipelines in sensitive areas.

Existing law establishes local health departments, under the purview of the local health officer. Existing law prescribes various duties for those local health departments, including supervising remediation when hazardous waste is released and enforcing statutes relating to public health.

This bill would require a local health officer or his or her designee, if he or she is notified of a leak in an active gas pipeline within a sensitive area and makes certain determinations, to take certain actions related to the leak, working collaboratively with the division and the owner or operator of that pipeline. The bill would require the local public health officer or his or her designee to direct the responsible party to notify residents affected by the leak if he or she determines that the leak poses a serious threat to public health and safety. Because the bill would require a local health officer or his or her designee to provide a higher level of service to the public, this bill would impose a state-mandated local program.

This bill would require an owner or operator of an active gas pipeline in a sensitive area, upon discovery of a leak from the pipeline, to notify the division and the appropriate local health officer or his or her designee of the leak. Because a violation of this requirement would be a crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: yes

## THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

### **SECTION 1.** The Legislature finds and declares all of the following:

(a) In March 2014, a gas leak was detected beneath the community of Arvin, California. Families were evacuated from their homes and unable to return for several months.

(b) Existing regulations for the regular testing and evaluation of smaller diameter pipelines like the one that leaked in Arvin, California were insufficient to protect that community from a serious gas leak.

(c) In view of the Arvin, California leak, the Division of Oil, Gas, and Geothermal Resources should review and reassess its existing regulations for active gas pipelines that are four inches or less in diameter and update its regulations to ensure the integrity of those active gas pipelines and to prevent, as far as possible, damage to life, health, property, and natural resources.

(d) Given its jurisdiction and expertise, the Division of Oil, Gas, and Geothermal Resources has the authority to determine the appropriate methods for assessing the integrity of active gas pipelines.

### **SEC. 2.** Section 101042 is added to the Health and Safety Code, to read:

**101042.** (a) If the local health officer or his or her designee is notified of a leak in an active gas pipeline, that is within the jurisdiction of the Division of Oil, Gas, and Geothermal Resources and within a sensitive area, pursuant to Section 3270.6 of the Public Resources Code and the local health officer or his or her designee determines that the leak poses a risk to public health or safety and that the response to the leak has been inadequate to protect the public health or safety, the local health officer or his or her designee shall, working collaboratively with the division and the owner or operator of the pipeline, do both of the following:

(1) Direct the responsible party to test, to the satisfaction of the agency overseeing the testing, the soil, air, and water in the affected area for contamination caused by the leak and disclose the results of the tests to the public.

(2) Make a determination, based on the result of the tests, on whether the leak poses a serious threat to the public health and safety of residents affected by the leak, and require the responsible party to provide assistance, including temporary relocation, to those residents if the local health officer or his or her designee so determines.

(b) If the local health officer or his or her designee determines, based on the results of the test, that the leak poses a serious threat to public health and safety, the local health officer or his or her designee shall direct the responsible party to notify all residents affected by the leak.

(c) The responsible party shall be liable for the costs incurred by the local health officer or his or her designee pursuant to this section.

(d) Providing resident assistance and reimbursement for local health officer expenses shall not relieve a responsible party from liability for damages, and a responsible party shall not condition assistance or request a waiver of liability from the recipient of the assistance.

### **SEC. 3.** Section 3270.5 is added to the Public Resources Code, to read:

**3270.5.** (a) (1) By January 1, 2018, the division shall review and evaluate, and update as appropriate, its existing regulations regarding all active gas pipelines that are four inches or less in diameter, located in sensitive areas, and 10 years old or older. The division shall make a written finding of its review and evaluation of these pipelines.

(2) In its review and evaluation, the division shall consider existing pipeline integrity, pipeline leak detection, and other pipeline assessment requirements imposed by other regulators to determine which of these forms of assessment meet the division's needs.

(3) The regulations shall ensure the integrity and operation of these active gas pipelines pursuant to Sections 3106 and 3270.

(b) (1) By January 1, 2018, an operator of an active gas pipeline in a sensitive area shall submit to the division, as part of compliance with pipeline management plan requirements pursuant to Section 1774.2 of Title 14 of the California Code of Regulations, an up-to-date and accurate map identifying the location of the pipeline and other up-to-date and accurate locational information of the pipeline as determined and in a format specified by the division.

(2) The division shall perform random periodic spot check inspections to ensure that the information submitted pursuant to paragraph (1) is accurately reported.

(3) The division shall maintain a list of active gas pipelines in sensitive areas.

(c) For purposes of this section, the following terms are defined as follows:

(1) "Active gas pipeline" means an inservice gas pipeline regardless of diameter that is within the division's jurisdiction.

(2) "Sensitive area" means any of the following:

(A) An area containing a building intended for human occupancy, such as a residence, school, hospital, or business, that is located within 300 feet of an active gas pipeline and that is not necessary to the operation of the pipeline.

(B) An area determined by the supervisor to present significant potential threat to life, health, property, or natural resources in the event of a leak from an active gas pipeline.

(C) An area determined by the supervisor to have an active gas pipeline that has a history of chronic leaks.

(d) This section does not affect or limit the authority of the supervisor pursuant to Section 3106, 3270, or any other section of this code, or any regulation implementing those sections.

**SEC. 4.** Section 3270.6 is added to the Public Resources Code, to read:

**3270.6.** Upon the discovery of a leak from an active gas pipeline that is within a sensitive area, as defined in Section 3270.5, the owner or operator of the pipeline shall promptly notify the division and the local health officer, or his or her designee, of the jurisdiction in which the leak is located.

**SEC. 5.** No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution for certain costs that may be incurred by a local agency or school district because, in that regard, this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

However, if the Commission on State Mandates determines that this act contains other costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.



California  
LEGISLATIVE INFORMATION

AB-2856 Intrastate transmission line: safety valves. (2015-2016)

CALIFORNIA LEGISLATURE— 2015–2016 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2856**

**Introduced by Assembly Member Burke**

**February 19, 2016**

An act to amend Section 957 of the Public Utilities Code, relating to oil and gas.

**LEGISLATIVE COUNSEL'S DIGEST**

AB 2856, as introduced, Burke. Intrastate transmission line: safety valves.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including gas corporations, as defined. The Public Utilities Act authorizes the commission to ascertain and fix just and reasonable standards, classifications, regulations, practices, measurements, or services to be furnished, imposed, observed, and followed by specified public utilities, including gas corporations.

Existing law requires the installation of automatic shutoff or remote controlled sectionalized block valves on certain intrastate transmission lines that are located in a high consequence area, as defined, or that traverse an active seismic earthquake fault. Existing law requires the owner or operator of a commission-regulated gas pipeline facility that is an intrastate transmission line to provide the commission with a valve location plan, along with any recommendations for valve locations, and authorizes the commission to make modifications to the valve location plan.

This bill would make a nonsubstantive change to this provision.

Vote: majority Appropriation: no Fiscal Committee: no Local Program: no

**THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:**

**SECTION 1.** Section 957 of the Public Utilities Code is amended to read:

**957.** (a) (1) Unless the commission determines that it is prohibited from doing so by subdivision (c) of Section 60104 of Title 49 of the United States Code, the commission shall require the installation of automatic shutoff or remote controlled sectionalized block valves on both of the following facilities, if it determines those valves are necessary for the protection of the public:

(A) Intrastate transmission lines that are located in a high consequence area.

(B) Intrastate transmission lines that traverse an active seismic earthquake fault.



(2) Each owner or operator of a commission-regulated gas pipeline facility that is an intrastate transmission line shall provide the commission with a valve location ~~plan, along with~~ *plan and* any recommendations for valve locations. The commission may make modifications to the valve location plan or provide for variations from any location requirements adopted by the commission pursuant to this section that it deems necessary or appropriate and consistent with protection of the public.

(3) The commission shall additionally establish action timelines, adopt standards for how to prioritize installation of automatic shutoff or remote controlled sectionalized block valves pursuant to paragraph (1), ensure that remote and automatic shutoff valves are installed as quickly as is reasonably possible, and establish ongoing procedures for monitoring progress in achieving the requirements of this section.

(b) The commission shall authorize recovery in rates for all reasonably incurred costs incurred for implementation of the requirements of this section.

(c) The commission, in consultation with the Pipeline and Hazardous Materials Safety Administration of the United States Department of Transportation, shall adopt and enforce compatible safety standards for commission-regulated gas pipeline facilities that the commission determines should be adopted to implement the requirements of this section.