

Calendar No. 540

104TH CONGRESS
2D Session

S. 1505

[Report No. 104-334]

A BILL

To reduce risk to public safety and the environment associated with pipeline transportation of natural gas and hazardous liquids, and for other purposes.

JULY 26, 1996

Reported with an amendment in the nature of a substitute

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2D SESSION**S. 1505****[Report No. 104–334]**

To reduce risk to public safety and the environment associated with pipeline transportation of natural gas and hazardous liquids, and for other purposes.

IN THE SENATE OF THE UNITED STATES

DECEMBER 22, 1995

Mr. LOTT (for himself, Mr. BREAUX, Mrs. HUTCHISON, Mr. EXON, Mr. BURNS, Mr. SHELBY, Mr. INOUE, Mr. FORD, Mr. COCHRAN, Mr. FRIST, Mr. INHOFE, Mr. PRESSLER, Mr. STEVENS, Mr. HEFLIN, and Mr. JOHNSTON) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

JULY 26, 1996

Reported by Mr. PRESSLER, with an amendment in the nature of a substitute

[Strike all after the enacting clause and insert the part printed in italic]

A BILL

To reduce risk to public safety and the environment associated with pipeline transportation of natural gas and hazardous liquids, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Accountable Pipeline
3 Safety and Partnership Act of 1995”.

4 **SEC. 2. REFERENCES.**

5 Except as otherwise expressly provided, whenever in
6 this Act an amendment or repeal is expressed in terms
7 of an amendment to, or repeal of, a section or other provi-
8 sion, the reference shall be considered to be made to a
9 section or other provision of title 49, United States Code.

10 **SEC. 3. DEFINITIONS.**

11 (a) **IN GENERAL.**—Section 60101(a) is amended—

12 (1) in each of paragraphs (1) through (22), by
13 striking the period at the end and inserting a semi-
14 colon;

15 (2) in paragraph (21), by striking subpara-
16 graph (B) and inserting the following:

17 “(B) does not include the gathering of gas,
18 other than gathering through regulated gather-
19 ing lines, in those rural locations that are lo-
20 cated outside the limits of any incorporated or
21 unincorporated city, town, or village, or any
22 other designated residential or commercial area
23 (including a subdivision, business, shopping
24 center, or community development) or any simi-
25 lar populated area that the Secretary of Trans-
26 portation determines to be a nonrural area, ex-

1 cept that the term ‘transporting gas’ includes
 2 the movement of gas through regulated gather-
 3 ing lines;” and

4 (3) by adding at the end the following:

5 “(23) ‘benefits’ means the reasonably identifi-
 6 able or estimated safety, environmental, and eco-
 7 nomic benefits that are reasonably expected to result
 8 directly or indirectly from the implementation of a
 9 standard, regulatory requirement, or option;

10 “(24) ‘costs’ means, with respect to the imple-
 11 mentation of, or compliance with, a standard, regu-
 12 latory requirement, or option, the estimated or ac-
 13 tual direct and indirect costs of that implementation
 14 or compliance;

15 “(25) ‘incremental benefit’ or ‘incremental cost’
 16 means the additional estimated benefit or cost
 17 that—

18 “(A) would be caused by a particular ac-
 19 tion (whether regulatory or nonregulatory) in
 20 comparison with other options that may be
 21 taken in lieu of that action; and

22 “(B) is based on quantifiable or qualifiable
 23 assessments that use generally available and
 24 reasonably obtainable scientific or economic
 25 data;

1 “(26) ‘risk management’ means the systematic
 2 application, by the owner or operator of a pipeline
 3 facility, of management policies, procedures, finite
 4 resources, and practices to the tasks of analyzing,
 5 assessing, and minimizing risk in order to protect
 6 employees, the general public, the environment, and
 7 pipeline facilities;

8 “(27) ‘risk management plan’ means a manage-
 9 ment plan utilized by a gas or hazardous liquid pipe-
 10 line facility owner or operator that encompasses risk
 11 management; and

12 “(28) ‘Secretary’ means—

13 “(A) the Secretary of Transportation; or

14 “(B) if applicable, any person to whom the
 15 Secretary of Transportation delegates authority
 16 with respect to a matter concerned.”.

17 (b) **GATHERING LINES.**—Section 60101(b)(2) is
 18 amended by inserting “, if appropriate,” after “Secretary”
 19 the first place it appears.

20 **SEC. 4. GENERAL AUTHORITY.**

21 (a) **MINIMUM SAFETY STANDARDS.**—Section
 22 60102(a) is amended—

23 (1) in paragraph (1), by striking subparagraph
 24 (C) and inserting the following:

1 “(C) shall include a requirement that all indi-
 2 viduals who operate and maintain pipeline facilities
 3 shall be qualified to operate and maintain the pipe-
 4 line facilities.”; and

5 (2) by striking paragraph (2) and inserting the
 6 following:

7 “(2) The qualifications applicable to an individual
 8 who operates and maintains a pipeline facility shall ad-
 9 dress the ability to recognize and react appropriately to
 10 abnormal operating conditions that may indicate a dan-
 11 gerous situation or a condition exceeding design limits.
 12 The operator of a pipeline facility shall ensure that em-
 13 ployees who operate and maintain the facility are qualified
 14 to operate and maintain the pipeline facilities.”.

15 (b) PRACTICABILITY AND SAFETY NEEDS STAND-
 16 ARDS.—Section 60102(b) is amended to read as follows:

17 “(b) PRACTICABILITY AND SAFETY NEEDS.—

18 “(1) IN GENERAL.—A standard prescribed
 19 under subsection (a) shall be—

20 “(A) practicable; and

21 “(B) designed to meet the need for—

22 “(i) gas pipeline safety;

23 “(ii) safely transporting hazardous
 24 liquids; and

25 “(iii) protecting the environment.

1 ~~“(2) FACTORS FOR CONSIDERATION.—Except~~
 2 ~~as provided in section 60112, when prescribing a~~
 3 ~~standard under this section or section 60101(b),~~
 4 ~~60103, 60108, 60109, 60110, or 60113, the Sec-~~
 5 ~~retary shall consider—~~

6 ~~“(A) relevant available—~~

7 ~~“(i) gas pipeline safety information; or~~

8 ~~“(ii) hazardous liquid pipeline safety~~
 9 ~~and environmental protection information;~~

10 ~~“(B) the appropriateness of the standard~~
 11 ~~for the particular type of pipeline transpor-~~
 12 ~~tation or facility;~~

13 ~~“(C) the reasonableness of the standard;~~

14 ~~“(D) based on a risk assessment, the ex-~~
 15 ~~tent to which the standard will benefit public~~
 16 ~~safety and the protection of the environment;~~

17 ~~“(E) the costs of compliance with the~~
 18 ~~standard;~~

19 ~~“(F) comments and information received~~
 20 ~~from the public; and~~

21 ~~“(G) the comments and recommendations~~
 22 ~~of the Technical Pipeline Safety Standards~~
 23 ~~Committee described in section 60115 and the~~
 24 ~~Liquid Pipeline Safety Standards Committee~~
 25 ~~described in section 60115.~~

1 ~~“(3) RISK ASSESSMENT DOCUMENT.—~~In pre-
 2 scribing a standard referred to in paragraph (2), the
 3 Secretary shall prepare a risk assessment document
 4 that—

5 ~~“(A) identifies the regulatory and non-~~
 6 regulatory options that the Secretary considered
 7 in prescribing a proposed standard;

8 ~~“(B) identifies the incremental costs and~~
 9 incremental benefits with respect to public safe-
 10 ty and the protection of the environment that
 11 are associated with the proposed standard;

12 ~~“(C) includes—~~

13 ~~“(i) an explanation of the reasons for~~
 14 the selection of the proposed standard in
 15 lieu of the other options identified; and

16 ~~“(ii) with respect to each of those~~
 17 other options, a brief explanation of the
 18 reasons that the Secretary found that op-
 19 tion to be less cost-effective or flexible than
 20 the proposed standard; and

21 ~~“(D) provides any technical data or other~~
 22 information upon which the risk assessment
 23 document and proposed standard is based.

24 ~~“(4) REVIEW.—~~

25 ~~“(A) IN GENERAL.—~~The Secretary shall—

“(i) submit each risk assessment document prepared under this section to the Technical Pipeline Safety Standards Committee described in section 60115 or the Hazardous Liquid Pipeline Safety Standards Committee described in section 60115, or both, as appropriate; and

“(ii) make that document available to the general public.

“(B) PEER REVIEW PANELS.—The committees referred to in subparagraph (A) shall serve as peer review panels to review risk assessment documents prepared under this section. Not later than 90 days after receiving a risk assessment document for review pursuant to subparagraph (A), each committee that receives that document shall prepare and submit to the Secretary a report that includes—

“(i) an evaluation of the merit of the data and methods used in that document; and

“(ii) any recommended options relating to that document and the associated standard or regulatory requirement that

1 the committee determines to be appro-
2 priate.

3 ~~“(C) REVIEW BY SECRETARY.—~~Not later
4 than 90 days after receiving a report submitted
5 by a committee under subparagraph (B), the
6 Secretary—

7 “(i) shall review the report;

8 “(ii) shall provide a written response
9 to the committee that is the author of the
10 report concerning all significant peer re-
11 view comments and recommended alter-
12 natives contained in the report; and

13 “(iii) may revise the risk assessment
14 and the proposed standard or regulatory
15 requirement before promulgating the final
16 standard or requirement.

17 ~~“(5) INCREMENTAL BENEFITS AND COSTS.—~~
18 Before issuing a final standard that is subject to the
19 requirements contained in paragraphs (1) and (2),
20 the Secretary shall certify that the incremental bene-
21 fits of the final standard will likely justify, and be
22 reasonably related to, the incremental costs incurred
23 by the Federal Government and State, local, and
24 tribal governments and any other public entity, and
25 the private sector.

1 “(6) EMERGENCIES.—In the case of an emer-
 2 gency that meets the criteria described in section
 3 60112(e), the Secretary may suspend the application
 4 of this section for the duration of the emergency.

5 “(7) REPORT.—Not later than March 31, 1999,
 6 the Secretary shall transmit to the Congress a re-
 7 port that—

8 “(A) describes the implementation of the
 9 risk assessment requirements of this section, in-
 10 cluding the extent to which those requirements
 11 have improved regulatory decision making; and

12 “(B) includes any recommendations that
 13 the Secretary determines would make the risk
 14 assessments conducted pursuant to the require-
 15 ments under this chapter a more effective
 16 means of assessing the benefits and costs asso-
 17 ciated with alternative regulatory and non-
 18 regulatory options in prescribing standards
 19 under the Federal pipeline safety regulatory
 20 program under this chapter.”.

21 (c) FACILITY OPERATION INFORMATION STAND-
 22 ARDS.—The first sentence of section 60102(d) is amend-
 23 ed—

1 (1) by inserting “as required by the standards
2 prescribed under this chapter” after “operating the
3 facility”;

4 (2) by striking “to provide the information”
5 and inserting “to make the information available”;
6 and

7 (3) by inserting “as determined by the Sec-
8 retary” after “to the Secretary and an appropriate
9 State official”.

10 (d) PIPE INVENTORY STANDARDS.—The first sen-
11 tence of section 60102(e) is amended—

12 (1) by striking “and, to the extent the Sec-
13 retary considers necessary, an operator of a gather-
14 ing line that is not a regulated gathering line (as de-
15 fined under section 60101(b)(2) of this title),”; and

16 (2) by striking “transmission” and inserting
17 “transportation”.

18 (e) SMART PIGS.—

19 (1) MINIMUM SAFETY STANDARDS.—Section
20 60102(f) is amended by striking paragraph (1) and
21 inserting the following:

22 “(1) MINIMUM SAFETY STANDARDS.—The Sec-
23 retary shall prescribe minimum safety standards re-
24 quiring that the design and construction of a new
25 gas or hazardous liquid pipeline transmission facility

1 be carried out, to the extent practicable, in a way
 2 that accommodates the passage through the facility
 3 of an instrumented internal inspection device (com-
 4 monly referred to as a ‘smart pig’). The Secretary
 5 shall also prescribe minimum safety standards that
 6 require that when a segment of an existing gas or
 7 hazardous liquid pipeline transmission facility is re-
 8 placed, to the extent practicable, the replacement
 9 segment can accommodate the passage of an instru-
 10 mented internal inspection device. The Secretary
 11 may apply the standards to an existing gas or haz-
 12 ardous liquid facility and require that the facility be
 13 changed to allow the facility to be inspected with an
 14 instrumented internal inspection device if the basic
 15 construction of the facility will accommodate the de-
 16 vice.”.

17 (2) PERIODIC INSPECTIONS.—Section
 18 60102(f)(2) is amended—

19 (A) by striking “(2) Not later than” and
 20 inserting the following:

21 “(2) PERIODIC INSPECTIONS.—Not later than”;

22 and

23 (B) by inserting “, if necessary, addi-
 24 tional” after “the Secretary shall prescribe”.

1 (f) ~~UPDATING STANDARDS.—~~Section 60102 is
 2 amended by adding at the end the following new sub-
 3 section:

4 “(1) ~~UPDATING STANDARDS.—~~The Secretary shall, to
 5 the extent appropriate and practicable, update incor-
 6 porated industry standards that have been adopted as part
 7 of the Federal pipeline safety regulatory program under
 8 this chapter.”.

9 **SEC. 5. RISK MANAGEMENT.**

10 (a) ~~IN GENERAL.—~~Chapter 601 is amended by add-
 11 ing at the end the following new section:

12 **“§ 60126. Risk management**

13 “(a) ~~RISK MANAGEMENT PROGRAM DEMONSTRA-~~
 14 ~~TION PROJECTS.—~~

15 “(1) ~~IN GENERAL.—~~The Secretary shall estab-
 16 lish risk management demonstration projects—

17 “(A) to demonstrate, through the vol-
 18 untary participation by owners and operators of
 19 gas pipeline facilities and hazardous liquid pipe-
 20 line facilities, the applications of risk manage-
 21 ment; and

22 “(B) to evaluate the safety and cost-effec-
 23 tiveness of the applications referred to in sub-
 24 paragraph (A).

1 ~~“(2) WAIVERS.—~~In carrying out a demonstra-
 2 tion project under this subsection, the Secretary—

3 ~~“(A) may waive, with respect to the owner~~
 4 ~~or operator of any pipeline facility covered~~
 5 ~~under the project (referred to in this subsection~~
 6 ~~as a ‘covered pipeline facility’), the applicability~~
 7 ~~of all or a portion of the requirements under~~
 8 ~~this chapter that would otherwise apply to that~~
 9 ~~owner or operator with respect to the pipeline~~
 10 ~~facility; and~~

11 ~~“(B) shall waive, for the period of the~~
 12 ~~project, with respect to the owner or operator~~
 13 ~~that participates in the project, the applicability~~
 14 ~~of any new standard or regulatory requirement~~
 15 ~~that the Secretary promulgates under this chap-~~
 16 ~~ter during the period of that participation, if~~
 17 ~~the Secretary determines that the risk manage-~~
 18 ~~ment plan applicable to the demonstration~~
 19 ~~project provides an overall level of safety that~~
 20 ~~is equivalent to or greater than the level of~~
 21 ~~safety provided by requiring the application of~~
 22 ~~that standard or regulatory requirement.~~

23 ~~“(b) REQUIREMENTS.—~~In carrying out a demonstra-
 24 tion project under this section, the Secretary shall—

1 “(1) invite owners and operators of pipeline fa-
2 cilities to submit risk management plans for timely
3 approval by the Secretary;

4 “(2) require, as a condition of approval, that a
5 risk management plan submitted under this sub-
6 section contain measures that are designed to
7 achieve an equivalent or greater overall level of safe-
8 ty than would otherwise be achieved through compli-
9 ance with the standards and regulatory requirements
10 contained in this chapter or promulgated by the Sec-
11 retary under this chapter;

12 “(3) provide for—

13 “(A) collaborative government and indus-
14 try training;

15 “(B) methods to measure the safety per-
16 formance of risk management plans;

17 “(C) the development and application of
18 new technologies;

19 “(D) the promotion of community aware-
20 ness concerning how the overall level of safety
21 will be enhanced by the demonstration project;

22 “(E) the development of a model that cat-
23 egorizes the risks inherent to each covered pipe-
24 line facility, taking into consideration the loca-

tion, volume, pressure, and material transported
or stored by that pipeline facility;

“(F) the application of risk assessment
and risk management methodologies that are
suitable to the inherent risks that are deter-
mined to exist through the use of the model de-
veloped under subparagraph (E);

“(G) the development of project elements
that are necessary to ensure that—

“(i) the owners and operators that
participate in the demonstration project
demonstrate that they are effectively man-
aging the risks referred to in subparagraph
(E); and

“(ii) the risk management plans ear-
ried out under the demonstration project
under this subsection can be audited;

“(H) a process whereby an owner or opera-
tor of a pipeline facility is able to amend, mod-
ify, or otherwise adjust a risk management plan
referred to in paragraph (1) that has been ap-
proved by the Secretary pursuant to that para-
graph to respond to—

“(i) changed circumstances; or

1 “(ii) a determination by the Secretary
 2 that the owner or operator is not achieving
 3 an overall level of safety that is at least
 4 equivalent to the level that would otherwise
 5 be achieved through compliance with the
 6 standards and regulatory requirements
 7 contained in this chapter or promulgated
 8 by the Secretary under this chapter; and

9 “(I) such other elements as the Secretary,
 10 with the agreement of the owners and operators
 11 that participate in the demonstration project
 12 under this section, determines to further the
 13 purposes of this section; and

14 “(4) in selecting participants for the dem-
 15 onstration project, take into consideration the past
 16 safety and regulatory performance of each applicant
 17 who submits a risk management plan pursuant to
 18 paragraph (1).

19 “(c) EMERGENCIES.—In the case of an emergency
 20 that meets the criteria described in section 60112(e), the
 21 Secretary may suspend or revoke the participation of an
 22 owner or operator in the demonstration project under this
 23 section.

24 “(d) PARTICIPATION BY STATE AUTHORITY.—Not-
 25 withstanding any other provision of this chapter, in carry-

1 ing out the demonstration project under this section, the
 2 Secretary may provide for the participation in the dem-
 3 onstration project by a State that has in effect a certifi-
 4 cation that has been approved by the Secretary under sec-
 5 tion 60105.

6 “(e) REPORT.—Not later than March 31, 1999, the
 7 Secretary shall transmit to the Congress a report on the
 8 results of the demonstration projects carried out under
 9 this section that includes—

10 “(1) an evaluation of each such demonstration
 11 project, including an evaluation of the performance
 12 of each participant in that project with respect to
 13 safety and environmental protection; and

14 “(2) recommendations concerning whether the
 15 applications of risk management demonstrated
 16 under the demonstration project should be incor-
 17 porated into the Federal pipeline safety program
 18 under this chapter on a permanent basis.”.

19 (b) CONFORMING AMENDMENT.—The analysis for
 20 chapter 601 is amended by adding at the end the follow-
 21 ing:

“60126. Risk management.”.

22 **SEC. 6. INSPECTION AND MAINTENANCE.**

23 Section 60108 is amended—

1 (1) in subsection (a)(1), by striking “transport-
2 ing gas or hazardous liquid or” each place it ap-
3 pears;

4 (2) in subsection (b)(2), by striking the second
5 sentence;

6 (3) in the heading to subsection (c), by striking
7 “NAVIGABLE WATERS” and inserting “OTHER WA-
8 TERS”; and

9 (4) by striking clause (ii) of subsection
10 (c)(2)(A) and inserting the following:

11 “(ii) any other pipeline facility crossing under,
12 over, or through waters where a substantial likeli-
13 hood of commercial navigation exists, if the Sec-
14 retary decides that the location of the facility in
15 those waters could pose a hazard to navigation or
16 public safety.”.

17 **SEC. 7. HIGH-DENSITY POPULATION AREAS AND ENVIRON-**
18 **MENTALLY SENSITIVE AREAS.**

19 (a) **IDENTIFICATION.**—Section 60109(a)(1)(B)(i) is
20 amended by striking “a navigable waterway (as the Sec-
21 retary defines by regulation)” and inserting “waters where
22 a substantial likelihood of commercial navigation exists”.

23 (b) **UNUSUALLY SENSITIVE AREAS.**—Section
24 60109(b) is amended to read as follows:

1 “(b) AREAS TO BE INCLUDED AS UNUSUALLY SEN-
 2 SITIVE.—When describing areas that are unusually sen-
 3 sitive to environmental damage if there is a hazardous liq-
 4 uid pipeline accident, the Secretary shall consider areas
 5 where a pipeline rupture would likely cause permanent or
 6 long-term environmental damage, including—

7 “(1) locations near pipeline rights-of-way that
 8 are critical to drinking water, including intake loca-
 9 tions for community water systems and critical sole
 10 source aquifer protection areas; and

11 “(2) locations near pipeline rights-of-way that
 12 have been identified as critical wetlands, riverine or
 13 estuarine systems, national parks, wilderness areas,
 14 wildlife preservation areas or refuges, wild and sce-
 15 nic rivers, or critical habitat areas for threatened
 16 and endangered species.”.

17 **SEC. 8. EXCESS FLOW VALUES.**

18 Section 60110 is amended—

19 (1) in subsection (b)—

20 (A) in the first sentence, by inserting “, if
 21 any,” after “circumstances”; and

22 (B) in paragraph (4), by inserting “, oper-
 23 ating, and maintaining” after “cost of install-
 24 ing”;

1 (2) in subsection (c)(1)(C), by inserting “,
2 maintenance, and replacement” after “installation”;
3 and

4 (3) in subsection (c), by inserting after the first
5 sentence the following: “The Secretary may adopt
6 industry accepted performance standards in order to
7 comply with the requirement under the preceding
8 sentence.”.

9 **SEC. 9. CUSTOMER-OWNED NATURAL GAS SERVICE LINES.**

10 Section 60113 is amended—

11 (1) by striking “(a) MAINTENANCE INFORMA-
12 TION.—”; and

13 (2) by striking subsection (b).

14 **SEC. 10. UNDERGROUND FACILITY DAMAGE PREVENTION**
15 **PROGRAMS.**

16 (a) APPLICATION.—Section 60114(a) is amended—

17 (1) in the matter preceding paragraph (1), by
18 striking “one-call notification system” and inserting
19 “underground facility damage prevention program
20 (hereafter in this subsection referred to as a ‘pro-
21 gram’)”;

22 (2) in paragraph (1)—

23 (A) by striking “the system apply to”; and

24 (B) by inserting before the period the fol-
25 lowing: “be covered by the program”;

1 (3) in each of paragraphs (2), (4), (5), (6), and
 2 (8), by striking “system” each place it appears and
 3 inserting “program”;

4 (4) in paragraph (3), by striking “appropriate
 5 one-call notification system” and inserting “appro-
 6 priate program”;

7 (5) in paragraph (4), by striking “qualifica-
 8 tions” and inserting “Qualifications”;

9 (6) in paragraph (5), by striking “procedures”
 10 and inserting “Procedures”; and

11 (7) in each of paragraphs (1), (2), (3), (6), (7),
 12 (8), and (9), by striking “a” the first place it ap-
 13 pears and inserting “A”.

14 (b) SANCTIONS.—Section 60114(a)(9), as amended
 15 by subsection (a)(7), is further amended by striking
 16 “60120, 60122, and 60123” and inserting “60120 and
 17 60122”.

18 (c) GRANTS.—Section 60114(b) is amended by strik-
 19 ing “one-call notification system” and inserting “under-
 20 ground facility damage prevention program”.

21 (d) APPORTIONMENT.—Section 60114(d) is amended
 22 by striking “one-call notification system” each place it ap-
 23 pears and inserting “underground facility damage preven-
 24 tion program”.

25 (e) CONFORMING AMENDMENTS.—

1 (1) SECTION HEADING.—The heading to section
2 60114 is amended to read as follows:

3 **“§ 60114. Underground facility damage prevention**
4 **programs”.**

5 (2) CHAPTER ANALYSIS.—The analysis for
6 chapter 601 is amended by striking the item relating
7 to section 60114 and inserting the following item:

“60114. Underground facility damage prevention programs.”.

8 **SEC. 11. TECHNICAL SAFETY STANDARDS COMMITTEES.**

9 (a) PEER REVIEW.—Section 60115(a) is amended by
10 adding at the end the following: “The committees referred
11 to in the preceding sentence shall serve as peer review
12 committees for carrying out this chapter. Peer reviews
13 conducted by the committees shall be treated for purposes
14 of all Federal laws relating to risk assessment and peer
15 review (including laws that take effect after the date of
16 the enactment of the Pipeline Safety Act of 1995) as meet-
17 ing any peer review requirements of such laws.”.

18 (b) COMPOSITION AND APPOINTMENT.—Section
19 60115(b) is amended—

20 (1) in paragraph (1), by inserting “or risk man-
21 agement” before the period at the end of the last
22 sentence;

23 (2) in paragraph (2), by inserting “or risk man-
24 agement” before the period at the end of the last
25 sentence;

1 ~~(3)~~ in paragraph ~~(3)~~—

2 (A) in subparagraph (B), by striking “4”
3 and inserting “5”; and

4 (B) in subparagraph (C), by striking “6”
5 and inserting “5”; and

6 ~~(4)~~ in paragraph ~~(4)~~—

7 (A) in subparagraph (A), by adding at the
8 end the following: “At least 1 of the individuals
9 selected for each committee under paragraph
10 ~~(3)~~(A) shall have relevant scientific education;
11 background, or experience.”;

12 (B) in subparagraph (B), by adding at the
13 end the following: “At least 1 of the individuals
14 selected for each committee under paragraph
15 ~~(3)~~(B) shall have education, background, or ex-
16 perience in risk assessment and cost-benefit
17 analysis. The Secretary shall consult with the
18 national organizations representing the owners
19 and operators of pipeline facilities before select-
20 ing individuals under paragraph ~~(3)~~(B).”; and

21 (C) in subparagraph (C), by inserting after
22 the first sentence the following: “At least 1 of
23 the individuals selected for each committee
24 under paragraph ~~(3)~~(C) shall have education,

1 background, or experience in risk assessment
 2 and cost-benefit analysis.”.

3 (c) COMMITTEE REPORTS.—Section 60115(c) is
 4 amended—

5 (1) by inserting “or regulatory requirement”
 6 after “standard” each place it appears in para-
 7 graphs (1), (2), and (3);

8 (2) in paragraph (1)—

9 (A) in subparagraph (A), by inserting “,
 10 including the risk assessment document and
 11 other analyses supporting each proposed stand-
 12 ard or regulatory requirement” before the semi-
 13 colon; and

14 (B) in subparagraph (B), by inserting “,
 15 including the risk assessment document and
 16 other analyses supporting each proposed stand-
 17 ard or regulatory requirement” before the pe-
 18 riod; and

19 (3) in paragraph (2)—

20 (A) in the first sentence—

21 (i) by inserting “and supporting anal-
 22 yses” before the first comma;

23 (ii) by inserting “and submit to the
 24 Secretary” after “prepare”;

1 (iii) by inserting “cost-effectiveness,”
2 after “reasonableness,”; and

3 (iv) by inserting “and include in the
4 report recommended actions” before the
5 period at the end; and

6 (B) in the second sentence, by inserting
7 “any recommended actions and” after “includ-
8 ing”.

9 (d) **PROPOSED COMMITTEE STANDARDS AND REGU-**
10 **LATORY REQUIREMENTS.**—Section 60115(d)(1) is amend-
11 ed by inserting “or regulatory requirement” after “stand-
12 ard” each place it appears.

13 (e) **MEETINGS.**—Section 60115(e) is amended by
14 striking “twice” and inserting “4 times”.

15 (f) **EXPENSES.**—Section 60115(f) is amended—

16 (1) in the subsection heading by striking “PAY
17 AND”;

18 (2) by striking the first 2 sentences; and

19 (3) by inserting “of a committee under this sec-
20 tion” after “A member”.

21 **SEC. 12. PUBLIC EDUCATION PROGRAMS.**

22 Section 60116 is amended—

23 (1) by striking “person transporting gas” and
24 inserting “owner or operator of a gas pipeline facil-
25 ity”;

1 (2) by inserting “the use of an underground fa-
 2 cility damage prevention program prior to exca-
 3 vation,” after “educate the public on”; and

4 (3) by inserting a comma after “gas leaks”.

5 **SEC. 13. ADMINISTRATIVE.**

6 Section 60117 is amended by adding at the end the
 7 following new subsection:

8 “(k) **AUTHORITY FOR COOPERATIVE AGREE-**
 9 **MENTS.**—To carry out this chapter, the Secretary may
 10 enter into grants, cooperative agreements, and other
 11 transactions with any person, agency, or instrumentality
 12 of the United States; any unit of State or local govern-
 13 ment; any educational institution; or any other entity to
 14 further the objectives of this chapter. The objectives of
 15 this chapter include the development, improvement, and
 16 promotion of one-call damage prevention programs; re-
 17 search; risk assessment; and mapping.”.

18 **SEC. 14. COMPLIANCE AND WAIVERS.**

19 Section 60118 is amended by adding at the end the
 20 following new subsection:

21 “(e) **COMPLIANCE WITH RISK MANAGEMENT**
 22 **PLANS.**—The owners and operators of pipeline facilities
 23 that participate in the demonstration project under section
 24 60126 shall, during the applicable period of participation
 25 in the program, be considered to be in compliance with

1 any prescribed safety standard or regulatory requirement
 2 that is covered by a plan that is approved by the Secretary
 3 under section 60126.”.

4 **SEC. 15. DAMAGE REPORTING.**

5 Section 60123(d)(2) is amended—

6 (1) by striking “or” at the end of subparagraph
 7 (A);

8 (2) by redesignating subparagraph (B) as sub-
 9 paragraph (C); and

10 (3) by inserting after subparagraph (A) the fol-
 11 lowing:

12 “(B) a pipeline facility and does not report
 13 the damage promptly to the operator of the
 14 pipeline facility and to other appropriate au-
 15 thorities; or”.

16 **SEC. 16. BIENNIAL REPORTS.**

17 (a) BIENNIAL REPORTS.—

18 (1) SECTION HEADING.—The section heading of
 19 section 60124 is amended to read as follows:

20 “§ 60124. Biannual reports”.

21 (2) REPORTS.—Section 60124(a) is amended
 22 by striking the first sentence and inserting the fol-
 23 lowing:

24 “(a) SUBMISSION AND COMMENTS.—Not later than
 25 August 15, 1997, and every 2 years thereafter, the Sec-

1 retary of Transportation shall submit to Congress a report
 2 on carrying out this chapter for the 2 immediately preceed-
 3 ing calendar years for gas and a report on carrying out
 4 this chapter for such period for hazardous liquid.”.

5 (b) CONFORMING AMENDMENT.—The analysis for
 6 chapter 601 is amended by striking the item relating to
 7 section 60124 and inserting the following:

“60124. Biannual reports.”.

8 **SEC. 17. POPULATION ENCROACHMENT.**

9 (a) IN GENERAL.—Chapter 601, as amended by sec-
 10 tion 5, is further amended by adding at the end the follow-
 11 ing new section:

12 **“§ 60127. Population encroachment**

13 “(a) LAND USE RECOMMENDATIONS.—The Sec-
 14 retary of Transportation shall make available to an appro-
 15 priate official of each State, as determined by the Sec-
 16 retary, the land use recommendations of the special report
 17 numbered 219 of the Transportation Research Board, en-
 18 titled ‘Pipelines and Public Safety’.

19 “(b) EVALUATION.—The Secretary shall—

20 “(1) evaluate the recommendations in the re-
 21 port referred to in subsection (a);

22 “(2) determine to what extent the recommenda-
 23 tions are being implemented;

24 “(3) consider ways to improve the implementa-
 25 tion of the recommendations; and

1 “(4) consider other initiatives to further im-
 2 prove awareness of local planning and zoning enti-
 3 ties regarding issues involved with population en-
 4 croachment in proximity to the rights-of-way of any
 5 interstate gas pipeline facility or interstate hazard-
 6 ous liquid pipeline facility.”.

7 (b) CONFORMING AMENDMENT.—The analysis for
 8 chapter 601 is amended by inserting after the item relat-
 9 ing to section 60126 the following:

“60127. Population encroachment.”.

10 **SEC. 18. USER FEES.**

11 Not later than 180 days after the date of the enact-
 12 ment of this Act, the Secretary of Transportation shall
 13 transmit to the Congress a report analyzing the assess-
 14 ment of pipeline safety user fees solely on the basis of
 15 mileage to determine whether—

16 (1) that measure of the resources of the De-
 17 partment of Transportation is the most appropriate
 18 measure of the resources used by the Department of
 19 Transportation in the regulation of pipeline trans-
 20 portation; or

21 (2) another basis of assessment would be a
 22 more appropriate measure of those resources.

1 **SEC. 19. DUMPING WITHIN PIPELINE RIGHTS-OF-WAY.**

2 (a) ~~AMENDMENT.~~—Chapter 601, as amended by sec-
3 tion 17, is further amended by adding at the end the fol-
4 lowing new section:

5 **“§ 60128. Dumping within pipeline rights-of-way**

6 “(a) ~~PROHIBITION.~~—No person shall excavate for the
7 purpose of unauthorized disposal within the right-of-way
8 of an interstate gas pipeline facility or interstate hazard-
9 ous liquid pipeline facility, or any other limited area in
10 the vicinity of any such interstate pipeline facility estab-
11 lished by the Secretary of Transportation, and dispose
12 solid waste therein.

13 “(b) ~~DEFINITION.~~—For purposes of this section, the
14 term ‘solid waste’ has the meaning given that term in sec-
15 tion 1004(27) of the Solid Waste Disposal Act (42 U.S.C.
16 6903(27)).”.

17 (b) ~~CONFORMING AMENDMENTS.~~—

18 (1) ~~CROSS-REFERENCE.~~—Sections 60122 and
19 60123 are each amended by striking “or 60118(a)”
20 and inserting “, 60118(a), or 60128”.

21 (2) ~~CHAPTER ANALYSIS.~~—The analysis for
22 chapter 601 is amended by adding at the end the
23 following new item:

“60128. Dumping within pipeline rights-of-way.”.

1 **SEC. 20. PREVENTION OF DAMAGE TO PIPELINE FACILI-**
 2 **TIES.**

3 Section 60117(a) is amended by inserting after “and
 4 training activities” the following: “and promotional activi-
 5 ties relating to prevention of damage to pipeline facilities”.

6 **SEC. 21. TECHNICAL CORRECTIONS.**

7 (a) SECTION 60105.—The heading to section 60105
 8 is amended by inserting “**pipeline safety program**”
 9 after “**State**”.

10 (b) SECTION 60106.—The heading to section 60106
 11 is amended by inserting “**pipeline safety**” after
 12 “**State**”.

13 (c) SECTION 60107.—The heading to section 60107
 14 is amended by inserting “**pipeline safety**” after
 15 “**State**”.

16 (d) CHAPTER ANALYSIS.—The analysis for chapter
 17 601 is amended—

18 (1) in the item relating to section 60105, by in-
 19 serting “pipeline safety program” after “State”;

20 (2) in the item relating to section 60106, by in-
 21 serting “pipeline safety” after “State”; and

22 (3) in the item relating to section 60107, by in-
 23 serting “pipeline safety” after “State”.

24 **SEC. 22. AUTHORIZATION OF APPROPRIATIONS.**

25 (a) GAS AND HAZARDOUS LIQUID.—Section 60125
 26 is amended—

1 (1) by striking subsection (a) and inserting the
2 following new subsection:

3 “(a) GAS AND HAZARDOUS LIQUID.—To carry out
4 this chapter (except for sections 60107 and 60114(b)) re-
5 lated to gas and hazardous liquid, there are authorized
6 to be appropriated to the Department of Transportation—
7 “(1) \$9,936,000 for fiscal year 1996;
8 “(2) \$10,512,000 for fiscal year 1997;
9 “(3) \$11,088,000 for fiscal year 1998; and
10 “(4) \$11,664,000 for fiscal year 1999.”; and
11 (2) by striking subsection (b).

12 (b) STATE GRANTS.—Section 60125(c)(1) is amend-
13 ed by adding at the end the following:

14 “(D) \$10,764,000 for fiscal year 1996.
15 “(E) \$11,388,000 for fiscal year 1997.
16 “(F) \$12,012,000 for fiscal year 1998.
17 “(G) \$12,636,000 for fiscal year 1999.”.

18 **SECTION 1. SHORT TITLE.**

19 *This Act may be cited as the “Accountable Pipeline*
20 *Safety and Partnership Act of 1996”.*

21 **SEC. 2. REFERENCES.**

22 *Except as otherwise expressly provided, whenever in*
23 *this Act an amendment or repeal is expressed in terms of*
24 *an amendment to, or repeal of, a section or other provision,*

1 *the reference shall be considered to be made to a section or*
 2 *other provision of title 49, United States Code.*

3 **SEC. 3. DEFINITIONS.**

4 *(a) IN GENERAL.—Section 60101(a) is amended—*

5 *(1) by striking the periods at the end of para-*
 6 *graphs (1) through (22) and inserting semicolons;*

7 *(2) by striking paragraph (21)(B) and inserting*
 8 *the following:*

9 *“(B) does not include the gathering of gas,*
 10 *other than gathering through regulated gathering*
 11 *lines, in those rural locations that are located*
 12 *outside the limits of any incorporated or unin-*
 13 *corporated city, town, or village, or any other*
 14 *designated residential or commercial area (in-*
 15 *cluding a subdivision, business, shopping center,*
 16 *or community development) or any similar pop-*
 17 *ulated area that the Secretary of Transportation*
 18 *determines to be a nonrural area, except that the*
 19 *term ‘transporting gas’ includes the movement of*
 20 *gas through regulated gathering lines;”;* and

21 *(3) by adding at the end the following:*

22 *“(23) ‘risk management’ means the systematic*
 23 *application, by the owner or operator of a pipeline*
 24 *facility, of management policies, procedures, finite re-*
 25 *sources, and practices to the tasks of identifying, ana-*

1 *lyzing, assessing, reducing, and controlling risk in*
 2 *order to protect employees, the general public, the en-*
 3 *vironment, and pipeline facilities;*

4 *“(24) ‘risk management plan’ means a manage-*
 5 *ment plan utilized by a gas or hazardous liquid pipe-*
 6 *line facility owner or operator that encompasses risk*
 7 *management; and*

8 *“(25) ‘Secretary’ means the Secretary of Trans-*
 9 *portation.”.*

10 ***(b) GATHERING LINES.***—Section 60101(b)(2) *is*
 11 *amended by inserting “, if appropriate,” after “Secretary”*
 12 *the first place it appears.*

13 ***SEC. 4. GENERAL AUTHORITY.***

14 ***(a) MINIMUM SAFETY STANDARDS.***—Section 60102(a)
 15 *is amended—*

16 *(1) by striking “transporters of gas and hazard-*
 17 *ous liquid and to” in paragraph (1)(A);*

18 *(2) by striking paragraph (1)(C) and inserting*
 19 *the following:*

20 *“(C) shall include a requirement that all in-*
 21 *dividuals who operate and maintain pipeline fa-*
 22 *cilities shall be qualified to operate and main-*
 23 *tain the pipeline facilities.”; and*

24 *(3) by striking paragraph (2) and inserting the*
 25 *following:*

1 “(2) *The qualifications applicable to an individ-*
 2 *ual who operates and maintains a pipeline facility*
 3 *shall address the ability to recognize and react appro-*
 4 *priately to abnormal operating conditions that may*
 5 *indicate a dangerous situation or a condition exceed-*
 6 *ing design limits. The operator of a pipeline facility*
 7 *shall ensure that employees who operate and main-*
 8 *tain the facility are qualified to operate and main-*
 9 *tain the pipeline facilities.”.*

10 (b) *PRACTICABILITY AND SAFETY NEEDS STAND-*
 11 *ARDS.—Section 60102(b) is amended to read as follows:*

12 “(b) *PRACTICABILITY AND SAFETY NEEDS STAND-*
 13 *ARDS.—*

14 “(1) *IN GENERAL.—A standard prescribed under*
 15 *subsection (a) shall be—*

16 “(A) *practicable; and*

17 “(B) *designed to meet the need for—*

18 “(i) *gas pipeline safety, or safely*
 19 *transporting hazardous liquids, as appro-*
 20 *priate; and*

21 “(ii) *protecting the environment.*

22 “(2) *FACTORS FOR CONSIDERATION.—When pre-*
 23 *scribing any standard under this section or section*
 24 *60101(b), 60103, 60108, 60109, 60110, or 60113, the*
 25 *Secretary shall consider—*

- 1 “(A) relevant available—
2 “(i) gas pipeline safety information;
3 “(ii) hazardous liquid pipeline safety
4 information; and
5 “(iii) environmental information;
6 “(B) the appropriateness of the standard for
7 the particular type of pipeline transportation or
8 facility;
9 “(C) the reasonableness of the standard;
10 “(D) based on a risk assessment, the reason-
11 ably identifiable or estimated benefits expected to
12 result from implementation or compliance with
13 the standard;
14 “(E) based on a risk assessment, the reason-
15 ably identifiable or estimated costs expected to
16 result from implementation or compliance with
17 the standard;
18 “(F) comments and information received
19 from the public; and
20 “(G) the comments and recommendations of
21 the Technical Pipeline Safety Standards Com-
22 mittee, the Technical Hazardous Liquid Pipeline
23 Safety Standards Committee, or both, as appro-
24 priate.

1 “(3) *RISK ASSESSMENT.*—*In prescribing a*
 2 *standard referred to in paragraph (2), the Secretary*
 3 *shall—*

4 “(A) *identify the regulatory and nonregula-*
 5 *tory options that the Secretary considered in*
 6 *prescribing a proposed standard;*

7 “(B) *identify the costs and benefits associ-*
 8 *ated with the proposed standard;*

9 “(C) *include—*

10 “(i) *an explanation of the reasons for*
 11 *the selection of the proposed standard in*
 12 *lieu of the other options identified; and*

13 “(ii) *with respect to each of those other*
 14 *options, a brief explanation of the reasons*
 15 *that the Secretary did not select the option;*
 16 *and*

17 “(D) *identify technical data or other infor-*
 18 *mation upon which the risk assessment informa-*
 19 *tion and proposed standard is based.*

20 “(4) *REVIEW.*—

21 “(A) *IN GENERAL.*—*The Secretary shall—*

22 “(i) *submit risk assessment informa-*
 23 *tion prepared under paragraph (3) of this*
 24 *subsection to the Technical Pipeline Safety*
 25 *Standards Committee, the Technical Haz-*

ardous Liquid Pipeline Safety Standards
Committee, or both, as appropriate; and

“(ii) make that risk assessment information available to the general public.

“(B) PEER REVIEW PANELS.—The committees referred to in subparagraph (A) shall serve as peer review panels to review risk assessment information prepared under this section. Not later than 90 days after receiving risk assessment information for review pursuant to subparagraph (A), each committee that receives that risk assessment information shall prepare and submit to the Secretary a report that includes—

“(i) an evaluation of the merit of the data and methods used; and

“(ii) any recommended options relating to that risk assessment information and the associated standard that the committee determines to be appropriate.

“(C) REVIEW BY SECRETARY.—Not later than 90 days after receiving a report submitted by a committee under subparagraph (B), the Secretary—

“(i) shall review the report;

1 “(ii) shall provide a written response
 2 to the committee that is the author of the re-
 3 port concerning all significant peer review
 4 comments and recommended alternatives
 5 contained in the report; and

6 “(iii) may revise the risk assessment
 7 and the proposed standard before promul-
 8 gating the final standard.

9 “(5) SECRETARIAL DECISIONMAKING.—Except
 10 where otherwise required by statute, the Secretary
 11 shall propose or issue a standard under this Chapter
 12 only upon a reasoned determination that the benefits
 13 of the intended standard justify its costs.

14 “(6) EXCEPTIONS FROM APPLICATION.—The re-
 15 quirements of this subsection do not apply when—

16 “(A) the standard is the product of a nego-
 17 tiated rulemaking, or other rulemaking including
 18 the adoption of industry standards that receives
 19 no significant adverse comment within 60 days
 20 of notice in the Federal Register;

21 “(B) based on a recommendation (in which
 22 three-fourths of the members voting concur) by
 23 the Technical Pipeline Safety Standards Com-
 24 mittee, the Technical Hazardous Liquid Pipeline

1 *Safety Standards Committee, or both, as appli-*
 2 *cable, the Secretary waives the requirements; or*

3 *“(C) the Secretary finds, pursuant to sec-*
 4 *tion 553(b)(3)(B) of title 5, United States Code,*
 5 *that notice and public procedure are not re-*
 6 *quired.*

7 *“(7) REPORT.—Not later than March 31, 2000,*
 8 *the Secretary shall transmit to the Congress a report*
 9 *that—*

10 *“(A) describes the implementation of the*
 11 *risk assessment requirements of this section, in-*
 12 *cluding the extent to which those requirements*
 13 *have improved regulatory decision making; and*

14 *“(B) includes any recommendations that*
 15 *the Secretary determines would make the risk as-*
 16 *essment process conducted pursuant to the re-*
 17 *quirements under this chapter a more effective*
 18 *means of assessing the benefits and costs associ-*
 19 *ated with alternative regulatory and nonregula-*
 20 *tory options in prescribing standards under the*
 21 *Federal pipeline safety regulatory program*
 22 *under this chapter.”.*

23 *(c) FACILITY OPERATION INFORMATION STAND-*
 24 *ARDS.—The first sentence of section 60102(d) is amended—*

1 (1) *by inserting “as required by the standards*
 2 *prescribed under this chapter” after “operating the*
 3 *facility”;*

4 (2) *by striking “to provide the information” and*
 5 *inserting “to make the information available”; and*

6 (3) *by inserting “as determined by the Sec-*
 7 *retary” after “to the Secretary and an appropriate*
 8 *State official”.*

9 (d) *PIPE INVENTORY STANDARDS.—The first sentence*
 10 *of section 60102(e) is amended—*

11 (1) *by striking “and, to the extent the Secretary*
 12 *considers necessary, an operator of a gathering line*
 13 *that is not a regulated gather line (as defined under*
 14 *section 60101(b)(2) of this title),”; and*

15 (2) *by striking “transmission” and inserting*
 16 *“transportation”.*

17 (e) *SMART PIGS.—*

18 (1) *MINIMUM SAFETY STANDARDS.—Section*
 19 *60102(f) is amended by striking paragraph (1) and*
 20 *inserting the following:*

21 “(1) *MINIMUM SAFETY STANDARDS.—The Sec-*
 22 *retary shall prescribe minimum safety standards re-*
 23 *quiring that—*

1 “(A) the design and construction of new
2 natural gas transmission pipeline or hazardous
3 liquid pipeline facilities, and

4 “(B) when the replacement of existing natu-
5 ral gas transmission pipeline or hazardous liq-
6 uid pipeline facilities or equipment is required,
7 the replacement of such existing facilities be car-
8 ried out, to the extent practicable, in a manner
9 so as to accommodate the passage through such
10 natural gas transmission pipeline or hazardous
11 liquid pipeline facilities of instrumented internal
12 inspection devices (commonly referred to as
13 ‘smart pigs’). The Secretary may extend such
14 standards to require existing natural gas trans-
15 mission pipeline or hazardous liquid pipeline fa-
16 cilities, whose basic construction would accom-
17 modate an instrumented internal inspection de-
18 vice to be modified to permit the inspection of
19 such facilities with instrumented internal inspec-
20 tion devices.”.

21 (2) *PERIODIC* *INSPECTIONS*.—Section
22 60102(f)(2) is amended—

23 (A) by striking “(2) Not later than” and in-
24 serting the following:

1 “(2) *PERIODIC INSPECTIONS.*—*Not later than*”;

2 *and*

3 *(B) by inserting “, if necessary, additional”*

4 *after “the Secretary shall prescribe”.*

5 *(f) UPDATING STANDARDS.*—*Section 60102 is amend-*
6 *ed by adding at the end the following:*

7 “(1) *UPDATING STANDARDS.*—*The Secretary shall, to*
8 *the extent appropriate and practicable, update incorporated*
9 *industry standards that have been adopted as part of the*
10 *Federal pipeline safety regulatory program under this*
11 *chapter.”.*

12 **SEC. 5. RISK MANAGEMENT.**

13 *(a) IN GENERAL.*—*Chapter 601 is amended by adding*
14 *at the end the following:*

15 **“§ 60126. Risk management**

16 “(a) *RISK MANAGEMENT PROGRAM DEMONSTRATION*
17 *PROJECTS.*—

18 “(1) *IN GENERAL.*—*The Secretary shall establish*
19 *risk management demonstration projects—*

20 “(A) *to demonstrate, through the voluntary*
21 *participation by owners and operators of gas*
22 *pipeline facilities and hazardous liquid pipeline*
23 *facilities, the application of risk management;*
24 *and*

1 “(B) to evaluate the application of risk
2 management referred to in subparagraph (A).

3 “(2) *EXEMPTIONS.*—In carrying out a dem-
4 onstration project under this subsection, the Sec-
5 retary, by order—

6 “(A) may exempt an owner or operator of
7 the pipeline facility covered under the project
8 (referred to in this subsection as a ‘covered pipe-
9 line facility’), from the applicability of all or a
10 portion of the requirements under this chapter
11 that would otherwise apply to the covered pipe-
12 line facility; and

13 “(B) shall exempt, for the period of the
14 project, an owner or operator of the covered pipe-
15 line facility, from the applicability of any new
16 standard that the Secretary promulgates under
17 this chapter during the period of that participa-
18 tion, with respect to the covered facility.

19 “(b) *REQUIREMENTS.*—In carrying out a demonstra-
20 tion project under this section, the Secretary shall—

21 “(1) invite owners and operators of pipeline fa-
22 cilities to submit risk management plans for timely
23 approval by the Secretary;

24 “(2) require, as a condition of approval, that a
25 risk management plan submitted under this sub-

1 *section contain measures that are designed to achieve*
2 *an equivalent or greater overall level of safety than*
3 *would otherwise be achieved through compliance with*
4 *the standards contained in this chapter or promul-*
5 *gated by the Secretary under this chapter;*

6 *“(3) provide for—*

7 *“(A) collaborative government and industry*
8 *training;*

9 *“(B) methods to measure the safety perform-*
10 *ance of risk management plans;*

11 *“(C) the development and application of*
12 *new technologies;*

13 *“(D) the promotion of community aware-*
14 *ness concerning how the overall level of safety*
15 *will be maintained or enhanced by the dem-*
16 *onstration project;*

17 *“(E) the development of models that cat-*
18 *egorize the risks inherent to each covered pipeline*
19 *facility, taking into consideration the location,*
20 *volume, pressure, and material transported or*
21 *stored by that pipeline facility;*

22 *“(F) the application of risk assessment and*
23 *risk management methodologies that are suitable*
24 *to the inherent risks that are determined to exist*

1 *through the use of models developed under sub-*
2 *paragraph (E);*

3 “(G) *the development of project elements*
4 *that are necessary to ensure that—*

5 “(i) *the owners and operators that par-*
6 *ticipate in the demonstration project dem-*
7 *onstrate that they are effectively managing*
8 *the risks referred to in subparagraph (E);*
9 *and*

10 “(ii) *the risk management plans car-*
11 *ried out under the demonstration project*
12 *under this subsection can be audited;*

13 “(H) *a process whereby an owner or opera-*
14 *tor of a pipeline facility is able to terminate a*
15 *risk management plan or, with the approval of*
16 *the Secretary, to amend, modify, or otherwise*
17 *adjust a risk management plan referred to in*
18 *paragraph (1) that has been approved by the*
19 *Secretary pursuant to that paragraph to respond*
20 *to—*

21 “(i) *changed circumstances; or*

22 “(ii) *a determination by the Secretary*
23 *that the owner or operator is not achieving*
24 *an overall level of safety that is at least*
25 *equivalent to the level that would otherwise*

1 *be achieved through compliance with the*
 2 *standards contained in this chapter or pro-*
 3 *mulgated by the Secretary under this chap-*
 4 *ter; and*

5 *“(I) such other elements as the Secretary,*
 6 *with the agreement of the owners and operators*
 7 *that participate in the demonstration project*
 8 *under this section, determines to further the pur-*
 9 *poses of this section; and*

10 *“(4) in selecting participants for the demonstra-*
 11 *tion project, take into consideration the past safety*
 12 *and regulatory performance of each applicant who*
 13 *submits a risk management plan pursuant to para-*
 14 *graph (1).*

15 *“(c) EMERGENCIES AND REVOCATIONS.—Nothing in*
 16 *this section diminishes or modifies the Secretary’s authority*
 17 *under this title to act in case of an emergency. The Sec-*
 18 *retary may revoke any exemption granted under this sec-*
 19 *tion for substantial noncompliance with the terms and con-*
 20 *ditions of an approved risk management plan.*

21 *“(d) PARTICIPATION BY STATE AUTHORITY.—In car-*
 22 *rying out this section, the Secretary may provide for con-*
 23 *sultation by a State that has in effect a certification under*
 24 *section 60105. To the extent that a demonstration project*
 25 *comprises an intrastate natural gas pipeline or an intra-*

1 *state hazardous liquid pipeline facility, the Secretary may*
 2 *make an agreement with the State agency to carry out the*
 3 *duties of the Secretary for approval and administration of*
 4 *the project.*

5 “(e) *REPORT.*—Not later than March 31, 2000, the
 6 Secretary shall transmit to the Congress a report on the
 7 results of the demonstration projects carried out under this
 8 section that includes—

9 “(1) *an evaluation of each such demonstration*
 10 *project, including an evaluation of the performance of*
 11 *each participant in that project with respect to safety*
 12 *and environmental protection; and*

13 “(2) *recommendations concerning whether the*
 14 *applications of risk management demonstrated under*
 15 *the demonstration project should be incorporated into*
 16 *the Federal pipeline safety program under this chap-*
 17 *ter on a permanent basis.”.*

18 (f) *CONFORMING AMENDMENT.*—The analysis for
 19 chapter 601 is amended by adding at the end the following:

“60126. Risk management.”.

20 **SEC. 6. INSPECTION AND MAINTENANCE.**

21 *Section 60108 is amended—*

22 (1) *by striking “transporting gas or hazardous*
 23 *liquid or” in subsection (a)(1) each place it appears;*

24 (2) *by striking the second sentence in subsection*
 25 *(b)(2);*

1 (3) by striking “NAVIGABLE WATERS” in the
 2 heading for subsection (c) and inserting “OTHER WA-
 3 TERS”; and

4 (4) by striking clause (ii) of subsection (c)(2)(A)
 5 and inserting the following:

6 “(ii) any other pipeline facility cross-
 7 ing under, over, or through waters where a
 8 substantial likelihood of commercial naviga-
 9 tion exists, if the Secretary decides that the
 10 location of the facility in those waters could
 11 pose a hazard to navigation or public safe-
 12 ty.”.

13 **SEC. 7. HIGH-DENSITY POPULATION AREAS AND ENVIRON-**
 14 **MENTALLY SENSITIVE AREAS.**

15 (a) *IDENTIFICATION*.—Section 60109(a)(1)(B)(i) is
 16 amended by striking “a navigable waterway (as the Sec-
 17 retary defines by regulation)” and inserting “waters where
 18 a substantial likelihood of commercial navigation exists”.

19 (b) *UNUSUALLY SENSITIVE AREAS*.—Section 60109(b)
 20 is amended to read as follows:

21 “(b) *AREAS TO BE INCLUDED AS UNUSUALLY SEN-*
 22 *SITIVE*.—When describing areas that are unusually sen-
 23 sitive to environmental damage if there is a hazardous liq-
 24 uid pipeline accident, the Secretary shall consider areas

1 *where a pipeline rupture would likely cause permanent or*
 2 *long-term environmental damage, including—*

3 *“(1) locations near pipeline rights-of-way that*
 4 *are critical to drinking water, including intake loca-*
 5 *tions for community water systems and critical sole*
 6 *source aquifer protection areas; and*

7 *“(2) locations near pipeline rights-of-way that*
 8 *have been identified as critical wetlands, riverine or*
 9 *estuarine systems, national parks, wilderness areas,*
 10 *wildlife preservation areas or refuges, wild and scenic*
 11 *rivers, or critical habitat areas for threatened and en-*
 12 *dangered species.”.*

13 **SEC. 8. EXCESS FLOW VALVES.**

14 *Section 60110 is amended—*

15 *(1) by inserting “, if any,” in the first sentence*
 16 *of subsection (b)(1) after “circumstances”;*

17 *(2) by inserting “, operating, and maintaining”*
 18 *in subsection (b)(4) after “cost of installing”;*

19 *(3) by inserting “, maintenance, and replace-*
 20 *ment” in subsection (c)(1)(C) after “installation”;*
 21 *and*

22 *(4) by inserting after the first sentence in sub-*
 23 *section (e) the following: “The Secretary may adopt*
 24 *industry accepted performance standards in order to*

1 *comply with the requirement under the preceding sen-*
 2 *tence.”.*

3 **SEC. 9. CUSTOMER-OWNED NATURAL GAS SERVICE LINES.**

4 *Section 60113 is amended—*

5 *(1) by striking the caption of subsection (a); and*

6 *(2) by striking subsection (b).*

7 **SEC. 10. TECHNICAL SAFETY STANDARDS COMMITTEES.**

8 *(a) PEER REVIEW.—Section 60115(a) is amended by*
 9 *adding at the end the following: “The committees referred*
 10 *to in the preceding sentence shall serve as peer review com-*
 11 *mittees for carrying out this chapter. Peer reviews con-*
 12 *ducted by the committees shall be treated for purposes of*
 13 *all Federal laws relating to risk assessment and peer review*
 14 *(including laws that take effect after the date of the enact-*
 15 *ment of the Accountable Pipeline Safety and Partnership*
 16 *Act of 1996) as meeting any peer review requirements of*
 17 *such laws.”.*

18 *(b) COMPOSITION AND APPOINTMENT.—Section*
 19 *60115(b) is amended—*

20 *(1) by inserting “or risk management prin-*
 21 *ciples” in paragraph (1) before the period at the end;*

22 *(2) by inserting “or risk management prin-*
 23 *ciples” in paragraph (2) before the period at the end;*

24 *(3) by striking “4” in paragraph (3)(B) and in-*
 25 *serting “5”;*

1 (4) by striking “6” in paragraph (3)(C) and in-
2 serting “5”;

3 (5) by adding at the end of paragraph (4)(B) the
4 following: “At least 1 of the individuals selected for
5 each committee under paragraph (3)(B) shall have
6 education, background, or experience in risk assess-
7 ment and cost-benefit analysis. The Secretary shall
8 consult with the national organizations representing
9 the owners and operators of pipeline facilities before
10 selecting individuals under paragraph (3)(B).”; and

11 (6) by inserting after the first sentence of para-
12 graph (4)(C) the following: “At least 1 of the individ-
13 uals selected for each committee under paragraph
14 (3)(C) shall have education, background, or experience
15 in risk assessment and cost-benefit analysis.”.

16 (c) COMMITTEE REPORTS.—Section 60115(c) is
17 amended—

18 (1) by inserting “including the risk assessment
19 information and other analyses supporting each pro-
20 posed standard” before the semicolon in paragraph
21 (1)(A);

22 (2) by inserting “including the risk assessment
23 information and other analyses supporting each pro-
24 posed standard” before the period in paragraph
25 (1)(B);

1 (3) by inserting “and supporting analyses” be-
 2 fore the first comma in the first sentence of paragraph
 3 (2);

4 (4) by inserting “and submit to the Secretary”
 5 in the first sentence of paragraph (2) after “prepare”;

6 (5) by inserting “cost-effectiveness,” in the first
 7 sentence of paragraph (2) after “reasonableness,”; and

8 (6) by inserting “and include in the report rec-
 9 ommended actions” before the period at the end of the
 10 first sentence of paragraph (2); and

11 (7) by inserting “any recommended actions and”
 12 in the second sentence of paragraph (2) after “includ-
 13 ing”.

14 (d) *MEETINGS*.—Section 60115(e) is amended by strik-
 15 ing “twice” and inserting “up to 4 times”.

16 (e) *EXPENSES*.—Section 60115(f) is amended—

17 (1) by striking “PAY AND” in the subsection
 18 heading;

19 (2) by striking the first 2 sentences; and

20 (3) by inserting “of a committee under this sec-
 21 tion” after “A member”.

22 **SEC. 11. PUBLIC EDUCATION PROGRAMS.**

23 Section 60116 is amended—

1 (1) by striking “person transporting gas” and
 2 inserting “owner or operator of a gas pipeline facil-
 3 ity”;

4 (2) by inserting “the use of a one-call notifica-
 5 tion system prior to excavation,” after “educate the
 6 public on”; and

7 (3) by inserting a comma after “gas leaks”.

8 **SEC. 12. ADMINISTRATIVE.**

9 Section 60117 is amended—

10 (1) by adding at the end of subsection (b) the fol-
 11 lowing: “The Secretary may require owners and oper-
 12 ators of gathering lines to provide the Secretary infor-
 13 mation pertinent to the Secretary’s ability to make a
 14 determination as to whether and to what extent to
 15 regulate gathering lines.”;

16 (2) by adding at the end thereof the following:

17 “(k) **AUTHORITY FOR COOPERATIVE AGREEMENTS.**—
 18 To carry out this chapter, the Secretary may enter into
 19 grants, cooperative agreements, and other transactions with
 20 any person, agency, or instrumentality of the United
 21 States, any unit of State or local government, any edu-
 22 cational institution, or any other entity to further the objec-
 23 tives of this chapter. The objectives of this chapter include
 24 the development, improvement, and promotion of one-call

1 *damage prevention programs, research, risk assessment,*
 2 *and mapping.”; and*

3 *(3) by striking “transporting gas or hazardous*
 4 *liquid” in subsection (b) and inserting “owning”.*

5 **SEC. 13. COMPLIANCE.**

6 *(a) Section 60118 (a) is amended—*

7 *(1) by striking “transporting gas or hazardous*
 8 *liquid or” in subsection (a); and*

9 *(2) by striking paragraph (1) and inserting the*
 10 *following:*

11 *“(1) comply with applicable safety standards*
 12 *prescribed under this chapter, except as provided in*
 13 *this section or in section 60126;”.*

14 *(b) Section 60118 (b) is amended to read as follows:*

15 *“(b) COMPLIANCE ORDERS.—The Secretary of Trans-*
 16 *portation may issue orders directing compliance with this*
 17 *chapter, an order under section 60126, or a regulation pre-*
 18 *scribed under this chapter. An order shall state clearly the*
 19 *action a person must take to comply.”.*

20 *(c) Section 60118(c) is amended by striking “trans-*
 21 *porting gas or hazardous liquid” and inserting “owning”.*

22 **SEC. 14. DAMAGE REPORTING.**

23 *Section 60123(d)(2) is amended—*

24 *(1) by striking “or” at the end of subparagraph*

25 *(A);*

1 (2) *by redesignating subparagraph (B) as sub-*
 2 *paragraph (C); and*

3 (3) *by inserting after subparagraph (A) the fol-*
 4 *lowing:*

5 *“(B) a pipeline facility that does not report*
 6 *the damage promptly to the operator of the pipe-*
 7 *line facility and to other appropriate authorities;*
 8 *or”.*

9 **SEC. 15. BIENNIAL REPORTS.**

10 (a) *BIENNIAL REPORTS.—*

11 (1) *SECTION HEADING.—The section heading of*
 12 *section 60124 is amended to read as follows:*

13 **“§60124. Biennial reports”.**

14 (2) *REPORTS.—Section 60124(a) is amended by*
 15 *striking the first sentence and inserting the following:*

16 *“Not later than August 15, 1997, and every 2 years*
 17 *thereafter, the Secretary of Transportation shall sub-*
 18 *mit to Congress a report on carrying out this chapter*
 19 *for the 2 immediately preceding calendar years for*
 20 *gas and a report on carrying out this chapter for*
 21 *such period for hazardous liquid.”.*

22 (c) *CONFORMING AMENDMENT.—The analysis for*
 23 *chapter 601 is amended by striking the item relating to sec-*
 24 *tion 60124 and inserting the following:*

“60124. Biennial reports.”.

1 **SEC. 16. POPULATION ENCROACHMENT.**

2 (a) *IN GENERAL.*—Chapter 601, as amended by sec-
3 tion 5, is further amended by adding at the end the follow-
4 ing new section:

5 **“§ 60127. Population encroachment**

6 “(a) *LAND USE RECOMMENDATIONS.*—The Secretary
7 of Transportation shall make available to an appropriate
8 official of each State, as determined by the Secretary, the
9 land use recommendations of the special report numbered
10 219 of the Transportation Research Board, entitled ‘Pipe-
11 lines and Public Safety’.

12 “(b) *EVALUATION.*—The Secretary shall—

13 “(1) *evaluate the recommendations in the report*
14 *referred to in subsection (a);*

15 “(2) *determine to what extent the recommenda-*
16 *tions are being implemented;*

17 “(3) *consider ways to improve the implementa-*
18 *tion of the recommendations; and*

19 “(4) *consider other initiatives to further improve*
20 *awareness of local planning and zoning entities re-*
21 *garding issues involved with population encroachment*
22 *in proximity to the rights-of-way of any interstate*
23 *gas pipeline facility or interstate hazardous liquid*
24 *pipeline facility.”.*

1 (b) *CONFORMING AMENDMENT.*—*The analysis for*
 2 *chapter 601 is amended by inserting after the item relating*
 3 *to section 60126 the following:*

“60127. Population encroachment.”.

4 **SEC. 17. USER FEES.**

5 (a) *IN GENERAL.*—*Not later than 1 year after the date*
 6 *of the enactment of this Act, the Secretary of Transpor-*
 7 *tation shall transmit to the Congress a report analyzing*
 8 *the present assessment of pipeline safety user fees solely on*
 9 *the basis of mileage to determine whether—*

10 (1) *that measure of the resources of the Depart-*
 11 *ment of Transportation is the most appropriate meas-*
 12 *ure of the resources used by the Department of Trans-*
 13 *portation in the regulation of pipeline transportation;*
 14 *or*

15 (2) *another basis of assessment would be a more*
 16 *appropriate measure of those resources.*

17 (b) *CONSIDERATIONS.*—*In making the report, the Sec-*
 18 *retary shall consider a wide range of assessment factors and*
 19 *suggestions and comments from the public.*

20 **SEC. 18. DUMPING WITHIN PIPELINE RIGHTS-OF-WAY.**

21 (a) *AMENDMENT.*—*Chapter 601, as amended by sec-*
 22 *tion 16, is further amended by adding at the end the follow-*
 23 *ing new section:*

1 **“§ 60128. *Dumping within pipeline rights-of-way***

2 “(a) *PROHIBITION.*—No person shall excavate for the
3 purpose of unauthorized disposal within the right-of-way
4 of an interstate gas pipeline facility or interstate hazardous
5 liquid pipeline facility, or any other limited area in the
6 vicinity of any such interstate pipeline facility established
7 by the Secretary of Transportation, and dispose solid waste
8 therein.

9 “(b) *DEFINITION.*—For purposes of this section, the
10 term ‘solid waste’ has the meaning given that term in sec-
11 tion 1004(27) of the Solid Waste Disposal Act (42 U.S.C.
12 6903(27)).”.

13 (b) *CONFORMING AMENDMENTS.*—

14 (1) *CROSS-REFERENCE.*—Section 60123(a) is
15 amended by striking “or 60118(a)” and inserting “,
16 60118(a), or 60128”.

17 (2) *CHAPTER ANALYSIS.*—The analysis for chap-
18 ter 601 is amended by adding at the end the following
19 new item:

“60128. *Dumping within pipeline rights-of-way.*”.

20 **SEC. 19. PREVENTION OF DAMAGE TO PIPELINE FACILI-**
21 **TIES.**

22 Section 60117(a) is amended by inserting after “and
23 training activities” the following: “and promotional activi-
24 ties relating to prevention of damage to pipeline facilities”.

1 **SEC. 20. TECHNICAL CORRECTIONS.**

2 (a) SECTION 60105.—*The heading for section 60105*
 3 *is amended by inserting “**pipeline safety program**”*
 4 *after “**State**”.*

5 (b) SECTION 60106.—*The heading for section 60106*
 6 *is amended by inserting “**pipeline safety**” after*
 7 *“**State**”.*

8 (c) SECTION 60107.—*The heading for section 60107 is*
 9 *amended by inserting “**pipeline safety**” after “**State**”.*

10 (d) SECTION 60114.—*Section 60114 is amended—*

11 (1) *by striking “60120, 60122, and 60123” in*
 12 *subsection (a)(9) and inserting “60120 and 60122”;*

13 (2) *by striking subsections (b) and (d); and*

14 (3) *by redesignating subsections (c) and (e) as*
 15 *subsections (b) and (d), respectively.*

16 (e) CHAPTER ANALYSIS.—*The analysis for chapter 601*
 17 *is amended—*

18 (1) *by inserting “pipeline safety program” in*
 19 *the item relating to section 60105 after “State”;*

20 (2) *by inserting “pipeline safety” in the item re-*
 21 *lating to section 60106 after “State”; and*

22 (3) *by inserting “pipeline safety” in the item re-*
 23 *lating to section 60107 after “State”.*

24 (f) SECTION 60101.—*Section 60101(b) is amended by*
 25 *striking “define by regulation” each place it appears and*
 26 *inserting “prescribe standards defining”.*

1 (g) *SECTION 60102.*—*Section 60102 is amended by*
 2 *striking “regulations” each place it appears in subsections*
 3 *(f)(2), (i), and (j)(2) and inserting “standards”.*

4 (h) *SECTION 60108.*—*Section 60108 is amended—*

5 (1) *by striking “regulations” in subsections*
 6 *(c)(2)(B), (c)(4)(B), and (d)(3) and inserting “stand-*
 7 *ards”;* *and*

8 (2) *by striking “require by regulation” in sub-*
 9 *section (c)(4)(A) and inserting “establish a stand-*
 10 *ard”.*

11 (i) *SECTION 60109.*—*Section 60109(a) is amended by*
 12 *striking “regulations” and inserting “standards”.*

13 (j) *SECTION 60110.*—*Section 60110 is amended by*
 14 *striking “regulations” in subsections (b), (c)(1), and (c)(2)*
 15 *and inserting “standards”.*

16 (k) *SECTION 60113.*—*Section 60113(a) is amended by*
 17 *striking “regulations” and inserting “standards”.*

18 ***SEC. 21. AUTHORIZATION OF APPROPRIATIONS.***

19 (a) *GAS AND HAZARDOUS LIQUID.*—*Section 60125 is*
 20 *amended—*

21 (1) *by striking subsection (a) and inserting the*
 22 *following new subsection:*

23 “(a) *GAS AND HAZARDOUS LIQUID.*—*To carry out*
 24 *this chapter (except for sections 60107 and 60114(b)) relat-*

1 *ed to gas and hazardous liquid, there are authorized to be*
 2 *appropriated to the Department of Transportation—*

3 *“(1) \$19,448,000 for fiscal year 1996;*

4 *“(2) \$20,028,000 for fiscal year 1997, of which*
 5 *\$14,600,000 is to be derived from user fees for fiscal*
 6 *year 1997 collected under section 60301 of this title;*

7 *“(3) \$20,729,000 for fiscal year 1998, of which*
 8 *\$15,100,000 is to be derived from user fees for fiscal*
 9 *year 1998 collected under section 60301 of this title;*

10 *“(4) \$21,442,000 for fiscal year 1999, of which*
 11 *\$15,700,000 is to be derived from user fees for fiscal*
 12 *year 1999 collected under section 60301 of this title”;*

13 *and*

14 *“(5) \$22,194,000 for fiscal year 2000, of which*
 15 *\$16,300,000 is to be derived from user fees for fiscal*
 16 *year 2000 collected under section 60301 of this title.”.*

17 *(b) STATE GRANTS.—Section 60125(c)(1) is amended*
 18 *by adding at the end the following:*

19 *“(D) \$12,000,000 for fiscal year 1996.*

20 *“(E) \$14,000,000 for fiscal year 1997, of which*
 21 *\$12,500,000 is to be derived from user fees for fiscal*
 22 *year 1997 collected under section 60301 of this title.*

23 *“(F) \$14,490,000 for fiscal year 1998, of which*
 24 *\$12,900,000 is to be derived from user fees for fiscal*
 25 *year 1998 collected under section 60301 of this title.*

1 “(G) \$15,000,000 for fiscal year 1999, of which
2 \$13,300,000 is to be derived from user fees for fiscal
3 year 1999 collected under section 60301 of this title.

4 “(H) \$15,524,000 for fiscal year 2000, of which
5 \$13,700,000 is to be derived from user fees for fiscal
6 year 2000 collected under section 60301 of this title.”.