

“What keeps you up at night?”

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PUC to take public comment on implementation of recently enacted Pipeline Safety Act

By Megan E. King

Last week, the Pennsylvania Public Utility Commission (PUC) issued a Tentative Order on the implementation of the Gas and Hazardous Liquids Pipelines Act, Act 127 of 2011 (Pipeline Act), which was signed by Governor Corbett on December 22, 2011. The Pipeline Act expands the PUC's jurisdiction over entities not previously regulated by the PUC and includes a new assessment for the anticipated costs of the pipeline safety program. The Tentative Order allows interested parties to provide comment on the Pipeline Act on or before February 1, 2012.

The Pipeline Act requires the PUC to enforce the federal safety standards and regulations for operations in Pennsylvania. In doing this, the PUC is authorized to create a registry of all jurisdictional pipeline operators, which registration shall be renewed annually by March 31st and shall include the location of the pipeline by class and aggregate miles of pipeline. It should be noted, however, that, for 2012, all registration is due to the PUC no later than March 16th so that the PUC might commence its duties under the Pipeline Act as soon as practicable. Petroleum gas distributors who are registered under the Propane and Liquefied Petroleum Gas Act are not required to register but must provide proof of registration under the Propane and Liquefied Petroleum Gas Act.

All pipeline operators must disclose to the PUC the country of manufacture for all tubular steel products used in the exploration, gathering or transportation of natural gas or hazardous liquids. The PUC is given the authority to create regulations necessary to enforce federal pipeline safety laws, provided that the PUC regulations are no more stringent than or inconsistent with applicable federal law or regulations.

Finally, the PUC may fund all of these activities through an annual assessment of pipeline operators. This assessment shall be based on the PUC's annual costs to implement its pipeline safety program under the Pipeline Act and will be apportioned to pipeline operators based upon the number of miles of pipeline operated in the previous calendar year.

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