To provide for enhanced safety in pipeline transportation, and for other purposes.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 27, 2006

Mr. STEVENS (for himself, Mr. INOUYE, Mr. LOTT, and Mr. LAUTENBERG) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

A BILL

To provide for enhanced safety in pipeline transportation, and for other purposes.

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the

“Pipeline Inspection, Protection, Enforcement, and Safety

Act of 2006”.

(b) Table of Contents.—The table of contents for

this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Amendment of title 49.
Sec. 3. Low-stress pipelines.
Sec. 4. Pipeline safety and damage prevention.
Sec. 5. Damage prevention technology development.
Sec. 6. Safety orders.
Sec. 7. Integrity program enforcement.
Sec. 8. Technical assistance grants.
Sec. 9. Enforcement transparency.
Sec. 10. Direct line sales.
Sec. 11. Gas distribution integrity management program rulemaking deadline.
Sec. 12. Standards to implement NTSB recommendations.
Sec. 13. Coordination in the construction and expansion of hazardous liquid pipelines.
Sec. 14. Cost recovery for design reviews.
Sec. 15. Human factors risk management rulemaking.
Sec. 16. Emergency preparedness.
Sec. 17. Public education and awareness.
Sec. 18. Safety technology and corrosion research and development.
Sec. 19. Cost recovery for extraordinary events.
Sec. 20. Senior executive signature of integrity management program performance reports.
Sec. 21. Leak detection technology study.
Sec. 22. Study of pipeline regulatory adequacy.
Sec. 23. Pipeline security inspections and enforcement.
Sec. 24. Pipeline security and incident recovery plan.
Sec. 25. Technical assistance program.

1 SEC. 2. AMENDMENT OF TITLE 49.

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

2 SEC. 3. LOW-STRESS PIPELINES.

Section 60102(k) is amended to read as follows:

“(k) LOW-STRESS HAZARDOUS LIQUID PIPELINES.—

“(1) MINIMUM STANDARDS.—Not later than 12 months after the date of enactment of the Pipeline Inspection, Protection, Enforcement, and Safety Act
of 2006, the Secretary shall issue regulations sub-
jecting low-stress hazardous liquid pipelines to the 
same standards and regulations as other hazardous 
liquid pipelines, except as provided in paragraph (3). 
The implementation of the applicable standards and 
regulatory requirements may be phased-in. The reg-
ulations issued under this paragraph shall not apply 
to gathering lines.

“(2) GENERAL PROHIBITION AGAINST LOW IN-
ternal stress exception.—Except as provided in 
paragraph (3), the Secretary may not provide an ex-
ception to the requirements of this chapter for a 
hazardous liquid pipeline because the pipeline oper-
ates at low internal stress.

“(3) LIMITED EXCEPTIONS.—The Secretary 
shall provide or continue in force exceptions from 
regulations, other than regulations pertaining to in-
cident reports and the national pipeline mapping 
system, to this subsection for low-stress hazardous 
liquid pipelines that—

“(A) are subject to safety regulations of 
the United States Coast Guard; or

“(B) serve refining, manufacturing, or 
truck, rail, or vessel terminal facilities, if the 
pipeline is less than 1 mile long (measured out-
side the facility grounds) and does not cross an
offshore area or a waterway currently used for
commercial navigation,
until regulations issued under paragraph (1) take ef-
fect, after which the Secretary may retain or remove
those exceptions as appropriate.
“(4) RELATIONSHIP TO OTHER LAWS.—Nothing
in this subsection shall be construed to prohibit
or otherwise affect the applicability of any other
statutory or regulatory exemption to any hazardous
liquid pipeline.
“(5) DEFINITION.—For purposes of this sub-
section, the term ‘low-stress hazardous liquid pipe-
line’ means a hazardous liquid pipeline that is oper-
ated in its entirety at a stress level of 20 percent or
less of the specified minimum yield strength of the
line pipe.
“(6) EFFECTIVE DATE.—The requirements of
this subsection shall not take effect as to low-stress
hazardous liquid pipeline operators before the effect-
tive date of the rules promulgated by the Secretary
under this subsection.”.

SEC. 4. PIPELINE SAFETY AND DAMAGE PREVENTION.

(a) ONE-CALL CIVIL ENFORCEMENT.—
(1) In general.—Section 60114 is amended by adding at the end the following:

“(d) Prohibitions Applicable to Excavation Activities.—

“(1) Excavators.—A person who engages in excavation activity—

“(A) may not engage in that activity in a State that has adopted a one-call notification system without first using that system to establish the location of underground facilities in the excavation area;

“(B) may not engage in that activity in disregard of location information or markings established by a pipeline facility operator pursuant to subsection (b);

“(C) may not fail to take reasonable steps to ensure safe excavation to prevent damage to a pipeline; and

“(D) who damages, or becomes aware of damage to, a pipeline facility and such damage may endanger life or cause serious bodily harm or damage to property, may not fail to promptly report the damage to the owner or operator of the facility and, if the damage results in the escape of any flammable, toxic, or corrosive gas
or liquid, may not fail to promptly report to appropriate emergency authorities.

“(2) OPERATORS.—An operator of a pipeline facility that fails—

“(A) to respond to a location request in order to prevent damage to the pipeline,

“(B) to take reasonable steps in response to such a request, or

“(C) to ensure accurate marking of the location of the pipeline in order to prevent damage to the pipeline,

shall be subject to a civil action under section 60120 or assessment of a civil penalty under section 60122.”.

(2) EXCAVATION AND EXCAVATION AREA DEFINED.—Section 60101(a) is amended—

(A) by redesignating paragraphs (1) through (25) as paragraphs (3) through (27); and

(B) by inserting before paragraph (3), as redesignated, the following:

“(1) ‘excavation activity’ means demolition, excavation, tunneling, or construction in an excavation area;
“(2) ‘excavation area’ means an excavation activity area as defined by State law;”.

(3) **Conforming Amendment.**—Section 60122(a)(1) is amended by striking “60114(b)” and inserting “60114(b) or (d)”.

(b) **State Damage Prevention Programs.**—

(1) Section 60105(b)(4) is amended to read as follows:

“(4) has agreed to promote and take actions to establish a program designed to prevent damage by excavation activity to the pipeline facilities to which the certification applies that—

“(A) subjects persons who violate the applicable requirements of that program to civil penalties and other enforcement actions that are substantially the same as are provided under this chapter; and

“(B) addresses the elements in section 60134(b);”.

(2) **Requirement.**—Chapter 601 is amended by adding at the end the following new section:

“§ 60134. State damage prevention programs

“(a) **In General.**—The Secretary may make a grant to a State authority (including a municipality with respect to intrastate gas pipeline transportation) to assist in im-
proving the overall quality and effectiveness of a damage prevention program of the State authority under subsection (e) if the State authority—

“(1)(A) has an annual certification in accordance with section 60105 for such fiscal year; or

“(B) has an agreement with the Secretary in accordance with section 60106; and

“(2) has an effective damage prevention program that meets the requirements of subsection (b).

“(b) DAMAGE PREVENTION PROGRAM ELEMENTS.—

An effective damage prevention program includes the following elements:

“(1) Participation by operators, excavators, and other stakeholders in the development and implementation of methods for establishing and maintaining effective communications between stakeholders from receipt of an excavation notification until successful completion of the excavation, as appropriate.

“(2) A process for fostering and ensuring the support and partnership of stakeholders, including excavators, operators, locators, designers, and local government in all phases of the program.

“(3) A process for reviewing the adequacy of a pipeline operator’s internal performance measures
regarding persons performing locating services and quality assurance programs.

“(4) Participation by operators, excavators, and other stakeholders in the development and implementation of effective employee training programs to ensure that operators, the one-call center, the enforcing agency, and the excavators have partnered to design and implement training for the employees of operators, excavators, and locators.

“(5) A process for fostering and ensuring active participation by all stakeholders in public education for damage prevention activities.

“(6) A process for resolving disputes that defines the State authority’s role as a partner and facilitator to resolve issues.

“(7) Enforcement of State damage prevention laws and regulations for all aspects of the damage prevention process, including public education, and the use of civil penalties for violations assessable by the appropriate State authority.

“(8) A process for fostering and promoting the use, by all appropriate stakeholders, of improving technologies that may enhance communications, underground pipeline locating capability, and gathering
and analyzing information about the accuracy and
effectiveness of locating programs.

“(9) A process for review and analysis of the ef-
fectiveness of each program element, including a
means for implementing improvements identified by
such program reviews.

“(c) FACTORS TO CONSIDER.—In making grants
under this section, the Secretary shall take into consider-
ation the commitment of each State to ensuring the effec-
tiveness of its damage prevention program, including legis-
lative and regulatory actions taken by the State.

“(d) APPLICATION.—If a State authority files an ap-
lication for a grant under this section not later than Sep-
tember 30 of a calendar year and demonstrates that the
Governor (or chief executive) of the State has designated
it as the appropriate State authority to receive the grant,
the Secretary shall review the State’s damage prevention
program to determine its effectiveness.

“(e) GRANTS FOR EFFECTIVE PROGRAMS.—For a
program of a State authority the Secretary determines to
be effective, the Secretary may make a grant to the State
authority for the cost of the personnel, equipment, and
activities the State authority reasonably requires during
the next calendar year to carry out its damage prevention
program in accordance with subsection (b).
“(f) Nonapplicability of limitation.—A grant made under this section is not subject to the section 60107(a) limitation on the maximum percentage of funds to be paid by the Secretary.

“(g) Limitation on use of funds.—Funds provided under this section may not be used for lobbying or in direct support of litigation.”.

(3) Clerical amendment.—The chapter analysis for chapter 601 is amended by adding at the end the following:

“60134. State damage prevention programs.”.

(e) State pipeline safety grants.—Section 60107(a) is amended by striking “not more than 50 percent” and inserting “not more than 80 percent”.

(d) Maintenance of effort.—Section 60107(b) is amended by striking “spent—” and all that follows and inserting “spent for gas and hazardous liquid safety programs for the 3 fiscal years prior to the fiscal year in which the Secretary makes a payment, except when this requirement is waived by the Secretary.”.

SEC. 5. DAMAGE PREVENTION TECHNOLOGY DEVELOPMENT.

Section 60114, as amended by section 4, is further amended by adding at the end the following:

“(e) Technology development grants.—The Secretary may make grants to any organization or entity
(not including for-profit entities) for the development of technologies that will facilitate the prevention of pipeline damage caused by excavation activities, with emphasis on wireless and global positioning technologies having potential for use in connection with notification systems and underground facility locating and marking services. Funds provided under this subsection may not be used for lobbying or in direct support of litigation. The Secretary may also support such technology development through cooperative agreements with trade associations, academic institutions, and other organizations.”.

SEC. 6. SAFETY ORDERS.

Section 60117(l) is amended to read as follows:

“(l) SAFETY ORDERS.—

“(2) IN GENERAL.—After notice and opportunity for a hearing, if the Secretary determines that a pipeline facility has any condition that poses a risk to public safety, property, or the environment, the Secretary may order the operator of the facility to take necessary corrective action, including physical inspection, testing, repair, replacement, or other appropriate actions to remedy that condition. The Secretary may waive the requirement of notice and opportunity for a hearing in an emergency described in section 60112(e).
“(2) **Administrative Procedure.**—Before exercising authority under paragraph (1), the Secretary shall promulgate regulations specifying the administrative procedure applicable to the issuance of a safety order.

“(3) **Considerations.**—In making a determination under paragraph (1), the Secretary shall, if relevant, consider—

“(A) the considerations described in section 60112(b);

“(B) the likelihood that the condition will impair the serviceability of a pipeline;

“(C) the likelihood that the condition will worsen over time;

“(D) the likelihood that the condition is present or could develop in other areas of the pipeline; and

“(E) other factors the Secretary considers appropriate.”.

**SEC. 7. INTEGRITY PROGRAM ENFORCEMENT.**

Section 60109(c)(9)(A)(iii) is amended to read as follows:

“(iii) **Inadequate Programs.**—If the Secretary determines that a risk analysis or integrity management program does not comply
with the requirements of this subsection or regulations issued as described in paragraph (2), has not been adequately implemented, or is inadequate for the safe operation of a pipeline facility, the Secretary may conduct proceedings under section 60108(a), 60112, 60118(a) and (b), 60120, 60122, or any other section of this chapter.”.

SEC. 8. TECHNICAL ASSISTANCE GRANTS.

Section 60130 is amended—

(1) by striking “The Secretary shall establish competitive” in subsection (a)(1) and inserting “No grants may be awarded under section 60114(c) until the Secretary has established competitive”;

(2) by redesignating paragraph (2) of subsection (a) as paragraph (4);

(3) by inserting after paragraph (1) of subsection (a) the following:

“(2) DEMONSTRATION GRANTS.—At least the first 3 grants awarded under this section shall be demonstration grants for the purpose of evaluating the effectiveness of grants under this section. Any such demonstration grant may not exceed $25,000.

“(3) DISSEMINATION OF TECHNICAL FINDINGS.—Each recipient of a grant under this section
shall ensure that the technical findings made possible by the grant are made available to the relevant operators, and that open communication between the grant recipient, local operators, local communities, and other interested parties is encouraged.”; and

(4) by striking “2006.” in subsection (d) and inserting “2010.”.

SEC. 9. ENFORCEMENT TRANSPARENCY.

(a) IN GENERAL.—Chapter 601, as amended by section 4(b)(2) of this Act, is further amended by adding at the end thereof the following:

§ 60135. Enforcement transparency

“(a) IN GENERAL.—Beginning no later than October 1, 2007, the Secretary shall provide a monthly summary to the public of all gas and hazardous liquid pipeline enforcement actions taken by the Secretary or the Pipeline and Hazardous Materials Safety Administration. Each summary shall include information on the operator involved in the enforcement activity, the type of violation that necessitated the enforcement activity, the penalty or penalties proposed, the final assessment amount of each penalty, and the reasons for a reduction in the proposed penalty, if appropriate.
“(b) ELECTRONIC POSTING.—Each summary re-
quired under subsection (a) shall be made available to the
public via posting by electronic means.”.

(b) CONFORMING AMENDMENT.—The chapter anal-
ysis for chapter 601 is amended by adding at the end the
following:

“60135. Enforcement transparency.”.

SEC. 10. DIRECT LINE SALES.

Section 60101(a) is amended—

(1) by striking paragraph (8), as redesignated
by section 4(a)(2) of this Act, and inserting the fol-
lowing:

“(8) ‘interstate gas pipeline facility’ means a
gas pipeline facility—

“(A) used to transport gas; and

“(B) subject to the jurisdiction of the
Commission under the Natural Gas Act (15
U.S.C. 717 et seq.);”;

(2) by striking paragraph (11), as redesignated
by section 4(a)(2) of this Act, and inserting the fol-
lowing:

“(11) ‘intrastate gas pipeline facility’ means a
gas pipeline facility and transportation of gas within
a State not subject to the jurisdiction of the Com-
mission under the Natural Gas Act (15 U.S.C. 717
et seq.);”.

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SEC. 11. GAS DISTRIBUTION INTEGRITY MANAGEMENT PROGRAM RULEMAKING DEADLINE.

Section 60109 is amended by adding at the end the following:

“(e) DISTRIBUTION INTEGRITY MANAGEMENT PROGRAMS.—

“(1) MINIMUM STANDARDS.—Not later than 1 year after the date of enactment of the Pipeline Inspection, Protection, Enforcement, and Safety Act of 2006, the Secretary shall prescribe minimum standards for integrity management programs for distribution pipelines.

“(2) ADDITIONAL AUTHORITY OF SECRETARY.—In carrying out this subsection, the Secretary may require operators of distribution pipelines to continually identify and assess risks on their distribution lines, to remediate conditions that present a potential threat to line integrity, and to monitor program effectiveness.

“(3) EXCESS FLOW VALVES.—The minimum standards shall include criteria for requiring operators of natural gas distribution systems—

“(A) to install excess flow valves on single-family residential service lines that are installed or replaced after the date of enactment of the Pipeline Inspection, Protection, Enforcement,
and Safety Act of 2006 on the basis of feasibility and risk analysis; and

“(B) to report to the Secretary annually on the number of excess flow valves installed on their systems under subparagraph (A).

“(4) APPLICABILITY.—The Secretary shall determine which distribution pipelines will be subject to the minimum standards.

“(5) DEVELOPMENT AND IMPLEMENTATION.—Each operator of a distribution pipeline that Secretary determines is subject to the minimum standards prescribed by the Secretary under this subsection shall develop and implement an integrity management program in accordance with those standards.”.

SEC. 12. STANDARDS TO IMPLEMENT NTSB RECOMMENDATIONS.

Not later than 18 months after the date of enactment of this Act, the Secretary of Transportation shall issue standards that implement the following recommendations contained in the National Transportation Safety Board’s report entitled “Supervisory Control and Data Acquisition (SCADA) in Liquid Pipelines” and adopted November 29, 2005:
(1) Implementation of the American Petroleum Institute's Recommended Practice 165 for the use of graphics on the supervisory control and data acquisition screens.

(2) Implementation of a standard for pipeline companies to review and audit alarms on monitoring equipment.

(3) Implementation of standards for pipeline controller training that include simulator or non-computerized simulations for controller recognition of abnormal pipeline operating conditions, in particular, leak events.

SEC. 13. COORDINATION IN THE CONSTRUCTION AND EXPANSION OF HAZARDOUS LIQUID PIPELINES.

Section 60133 is amended—

(1) by striking subsection (e) and inserting the following:

“(e) OMBUDSMAN.—The Secretary shall designate an ombudsman to assist in resolving disagreements between Federal, State, or local agencies and pipeline operators arising during agency review of pipeline repairs and hazardous liquid pipeline construction projects in order to expedite pipeline projects consistent with the protection of human health, public safety, and the environment.”;
(2) by striking “subject to any” in subsection (f) and inserting “and hazardous liquid pipeline construction projects to be consistent with”; and

(3) by adding at the end the following:

“(g) Construction and Expansion of Pipelines.—Upon request by any person proposing to construct or expand a hazardous liquid pipeline, the Secretary may coordinate the environmental reviews and permitting processes of Federal agencies and State and local agencies with responsibility for issuing permits or otherwise authorizing pipeline construction projects, subject to the agencies’ approval, if the Secretary determines that coordinating the permitting processes to expedite the completion of the project would be in the national interest and consistent with protection of the environment.”.

**SEC. 14.** **COST RECOVERY FOR DESIGN REVIEWS.**

Section 60117 is amended by adding at the end the following:

“(m) Cost Recovery for Design Reviews.—If the Secretary conducts facility design safety reviews, consulting, or field work in connection with a proposal to construct, expand, or operate a pipeline system or liquified natural gas pipeline facility, the Secretary may require the person requesting such review, consultation, or field work to pay the associated costs incurred by the Secretary. The
Secretary may assess such costs in a reasonable manner. Any amounts received by the Secretary under this subsection shall be deposited into a pipeline safety fund and shall be available for the purposes described in section 60301(d).”.

SEC. 15. HUMAN FACTORS RISK MANAGEMENT RULE-MAKING.

(a) STANDARDS.—Not later than 18 months after the date of enactment of this Act, the Secretary of Transportation shall issue regulations requiring operators of gas and hazardous liquid pipelines to evaluate and take measures to reduce risks associated with human factors, including fatigue, for pipeline controllers and other employees, as determined by the Secretary.

(b) RISK FACTORS.—In carrying out this section, the Secretary shall require operators of gas and hazardous liquid pipelines—

(1) to implement pipeline controller work schedules that reduce the likelihood of accidents attributable to controller fatigue and other human factors; and

(2) to establish limits on controller hours of service and provide predictable work and rest schedules for pipeline controllers that are consistent with
scientific research related to human circadian
rhythms and sleep and rest requirements.

(c) Applicability.—The Secretary shall determine
which pipelines are subject to the standards issued under
this section.

(d) Risk Management.—Each operator of a pipe-
line that the Secretary determines is subject to the stand-
ards established by the Secretary under this section shall
manage the control of the pipeline in accordance with
those standards.

SEC. 16. EMERGENCY PREPAREDNESS.

(a) Waivers.—Section 60118(c) is amended to read
as follows:

“(c) Waivers by Secretary.—

“(1) Non-emergency waivers.—

“(A) In general.—On application of a
person owning or operating a pipeline facility,
the Secretary by order may waive compliance
with any part of a standard prescribed under
this chapter on terms the Secretary considers
appropriate, if the Secretary determines that—

“(i) it is in the public interest to
grant the waiver; and

“(ii) the waiver is likely to achieve a
level of safety that is equivalent to, or
greater than, the level of safety that would
be obtained in the absence of the waiver.

“(B) Period and conditions.—A waiver
under this paragraph may be granted for a pe-
period determined by the Secretary and may be
renewed upon application to the Secretary. The
Secretary may act on an application for a waiv-
er under this paragraph only after notice and
an opportunity for a hearing and, if the applica-
tion is granted, shall state in the order the rea-
sons for granting the requested waiver. The
Secretary shall immediately revoke a waiver
granted under this paragraph if—

“(i) the waiver has resulted in a lower
level of safety than was maintained before
it was granted; or

“(ii) continuation of the waiver would
not be consistent with the goals and objec-
tives of this chapter.

“(2) Emergency waivers.—

“(A) In general.—The Secretary by
order may waive compliance with any part of a
standard prescribed under this chapter on
terms the Secretary considers appropriate with-
out prior notice and an opportunity for a hearing if the Secretary determines that—

“(i) it is in the public interest to grant the waiver;

“(ii) the waiver is likely to achieve a level of safety that is not inconsistent with the level of safety that would be achieved in the absence of the waiver; and

“(iii) the waiver is necessary to address a major disaster or emergency declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) affecting pipeline transportation or other emergency as determined by the Secretary.

“(B) PERIOD AND CONDITIONS.—A waiver under this paragraph may be issued for a period of not more than 60 days and may be renewed upon application to the Secretary only after notice and an opportunity for a hearing on the waiver. The Secretary shall state in the order the reasons for issuing the waiver. The Secretary shall immediately revoke a waiver issued under this paragraph if—
“(i) the waiver has resulted in a lower level of safety than was maintained before it was issued; or

“(ii) continuation of the waiver would not be consistent with the goals and objectives of this chapter.”.

(b) RESTORATION OF OPERATIONS.—Section 60301(d) is amended—

(1) by striking “and” after the semicolon in paragraph (1)(B);

(2) by redesignating paragraph (2) as paragraph (3); and

(3) by inserting after paragraph (1) the following:

“(2) may be used for activities involving the restoration of energy pipelines that have been, or are anticipated to become, disrupted by a manmade or natural disaster, including aid to Federal agencies; and”.

SEC. 17. PUBLIC EDUCATION AND AWARENESS.

(a) IN GENERAL.—Chapter 61 is amended by adding at the end the following:

“§6109. Public education and awareness

“The Secretary shall make a grant to an appropriate entity for promoting public education and awareness with
respect to the 811 national excavation damage prevention
phone number.”.

(b) CONFORMING AMENDMENT.—The chapter anal-
ysis for such chapter is amended by inserting after the
item relating to section 6108 the following:

“6109. Public education and awareness.”.

SEC. 18. SAFETY TECHNOLOGY AND CORROSION RE-
SEARCH AND DEVELOPMENT.

The Secretary of Transportation shall carry out a
pipeline corrosion research program to improve methods,
best practices, and technologies for identifying, detecting,
preventing, and managing internal and external corrosion
and other safety risks. The Secretary shall apply the re-
search results to support development and improvement
of national consensus standards.

SEC. 19. COST RECOVERY FOR EXTRAORDINARY EVENTS.

Section 60117, as amended by section 14, is further
amended by adding at the end the following subsection:

“(n) EXTRAORDINARY EXPENSES OF INCIDENT IN-
VESTIGATION.—The Secretary may, by regulation, estab-
lish procedures to recover the Secretary’s costs incurred
in investigating major pipeline safety incidents from the
person or persons responsible for the incident. These costs
may include travel costs and contract support for the in-
vestigation and monitoring of the corrective measures. All
sums collected shall be deposited into the pipeline safety
fund and shall be available to reimburse the Secretary for the costs of investigation and monitoring of the incidents. Such amounts are available until expended.”.

SEC. 20. SENIOR EXECUTIVE SIGNATURE OF INTEGRITY MANAGEMENT PROGRAM PERFORMANCE REPORTS.

Section 60109 is amended by adding at the end the following:

“(e) CERTIFICATION OF PIPELINE INTEGRITY MANAGEMENT PROGRAM PERFORMANCE.—The Secretary shall establish procedures requiring certification of annual and semi-annual pipeline integrity management program performance reports by a senior executive officer of the company operating the pipeline. The procedures shall require a signed statement, which may be effected electronically in accordance with the provisions of the Electronic Signatures in Global and National Commerce Act (15 U.S.C. 7001 et seq.), certifying that—

“(1) the signing officer has reviewed the report; and

“(2) to the best of such officer’s knowledge and belief, the report is true and complete.”.

SEC. 21. LEAK DETECTION TECHNOLOGY STUDY.

Not later than 12 months after the date of enactment of this Act, the Secretary of Transportation shall submit
to Congress a report on leak detection systems utilized by operators of hazardous liquid pipelines. The report shall include a discussion of the inadequacies of current leak detection systems, including their ability to detect ruptures and small leaks that are ongoing or intermittent, and what can be done to foster development of better technologies as well as address existing technological inadequacies.

SEC. 22. STUDY OF PIPELINE REGULATORY ADEQUACY.

(a) In General.—The Secretary of Transportation may conduct analyses of the domestic transport of petroleum products by pipeline. The analyses should identify areas of the United States where unplanned loss of individual pipelines may cause shortages of petroleum products or price disruptions. Upon identifying such areas, the Secretary shall determine if the current level of safety regulation is sufficient to minimize the potential for unplanned losses.

(b) Consultation.—In preparing any such analyses, the Secretary may consult with other government agencies and public- and private-sector experts in pipeline and other forms of petroleum product transportation, energy consumption, and capacity.

(c) Data Collection.—The Secretary may collect information relevant to the study from other Federal
agencies and may enter into an interagency agreement for this purpose.

SEC. 23. PIPELINE SECURITY INSPECTIONS AND ENFORCEMENT.

(a) In General.—Within 1 year after the date of enactment of this Act the Secretary of Homeland Security, in consultation with the Secretary of Transportation, shall establish a program for reviewing pipeline operator adoption of recommendations in the September, 5, 2002, Department of Transportation Research and Special Programs Administration Pipeline Security Information Circular, including the review of pipeline security plans and critical facility inspections.

(b) Review and Inspection.—Within 9 months after the date of enactment of this Act the Secretary of Homeland Security and Secretary of Transportation shall develop and implement a plan for reviewing the pipeline security plan and an inspection of the critical facilities of the 100 most critical pipeline operators covered by the September, 5, 2002, circular, where such facilities have not been inspected for security purposes since September 5, 2002, by either the Department of Homeland Security or the Department of Transportation.

(c) Compliance Review Methodology.—In reviewing pipeline operator compliance under subsections (a)
and (b), risk assessment methodologies shall be used to
prioritize vulnerabilities and to target inspection and en-
forcement actions to the most vulnerable and critical pipe-
line assets.

(d) REGULATIONS.—Within 1 year after the date of
enactment of this Act, the Secretary of Homeland Security
and Secretary of Transportation shall develop and trans-
mit to pipeline operators security recommendations for
natural gas and hazardous liquid pipelines and pipeline
facilities. If the Secretary of Homeland Security deter-
mines that regulations are appropriate, the Secretary of
Homeland Security shall consult with the Secretary of
Transportation on the extent of risk and appropriate miti-
gation measures, and the Secretary of Transportation or
the Secretary of Homeland Security, consistent with the
memorandum of understanding annex signed on August
9, 2006, shall promulgate such regulations and carry out
necessary inspection and enforcement actions. Any regula-
tions should incorporate the guidance provided to pipeline
operators by the September 5, 2002, Department of
Transportation Research and Special Programs Adminis-
tration’s Pipeline Security Information Circular and con-
tain additional requirements as necessary based upon the
results of the inspections performed under subsection (b).
The regulations shall include the imposition of civil penalties for non-compliance.

SEC. 24. PIPELINE SECURITY AND INCIDENT RECOVERY PLAN.

(a) IN GENERAL.—The Secretary of Homeland Security, in consultation with the Secretary of Transportation and the Pipeline and Hazardous Materials Safety Administration, and in accordance with the Memorandum of Understanding Annex executed on August 9, 2006, shall develop a Pipeline Security and Incident Recovery Protocols Plan. The plan shall include—

(1) a plan for the Federal Government to provide increased security support to the most critical interstate and intrastate natural gas and hazardous liquid transmission pipeline infrastructure and operations as determined under section 23—

(A) at high or severe security threat levels of alert; and

(B) when specific security threat information relating to such pipeline infrastructure or operations exists; and

(2) an incident recovery protocol plan, developed in conjunction with interstate and intrastate transmission and distribution pipeline operators and terminals and facilities operators connected to pipe-
lines, to develop protocols to ensure the continued transportation of natural gas and hazardous liquids to essential markets and for essential public health or national defense uses in the event of an incident affecting the interstate and intrastate natural gas and hazardous liquid transmission and distribution pipeline system, which shall include protocols for granting access to pipeline operators for pipeline infrastructure repair, replacement or bypass following an incident.

(b) **Existing Private and Public Sector Efforts.**—The plan shall take into account actions taken or planned by both private and public entities to address identified pipeline security issues and assess the effective integration of such actions.

(e) **Consultation.**—In developing the plan under subsection (a), the Secretary of Homeland Security shall consult with the Secretary of Transportation, interstate and intrastate transmission and distribution pipeline operators, pipeline labor, first responders, shippers of hazardous materials, State Departments of Transportation, public safety officials, and other relevant parties.

(d) **Report.**—

(1) **Contents.**—Not later than 1 year after the date of enactment of this Act, the Secretary of
Homeland Security shall transmit to the Committee on Commerce, Science, and Transportation of the Senate, the Committee on Homeland Security of the House of Representatives, and the Committee on Transportation and Infrastructure of the House of Representatives a report containing the plan required by subsection (a), along with an estimate of the private and public sector costs to implement any recommendations.

(2) FORMAT.—The Secretary may submit the report in both classified and redacted formats if the Secretary determines that such action is appropriate or necessary.

SEC. 25. TECHNICAL ASSISTANCE PROGRAM.

(a) IN GENERAL.—Out of amounts made available to Secretary under this Act, the Secretary may award, through a competitive process, grants to Universities with expertise in pipeline safety and security research to establish jointly a collaborative program to conduct pipeline safety and security technical assistance.

(b) DUTIES.—

(1) IN GENERAL.—In cooperation with the Pipeline and Hazardous Materials Safety Administration and representatives from States and boards of public utilities, the collaborative program estab-
lished under subsection (a) shall develop workforce training and technology transfer programs through statewide and regional partnerships that—

(A) communicate national, State, and local safety information to pipeline operators;

(B) distribute technical resources and training to support current and future Federal mandates; and

(C) evaluates program outcomes.

(2) TRAINING AND EDUCATIONAL PROGRAM.— The training and educational programs developed under paragraph (1) may include courses in recent developments, techniques, and procedures related to—

(A) safety and security of pipeline systems;

(B) incident and risk management for such systems;

(C) integrity management for such systems;

(D) consequence modeling;

(E) detection of encroachments and monitoring of rights-of-way; and

(F) vulnerability assessment at both project and national levels.
SEC. 26. AUTHORIZATION OF APPROPRIATIONS.

(a) Section 60125(a) is amended to read as follows:

“(a) GAS AND HAZARDOUS LIQUID.—

“(1) IN GENERAL.—To carry out the provisions

of this chapter related to gas and hazardous liquid,

the following amounts are authorized to be appro-

priated to the Department of Transportation from

fees collected under section 60301 in each respective

year:

“(A) For fiscal year 2007, $60,175,000 of

which $7,386,000 is for research, $16,535,000

is for State Grants and $1,021,000 is for one

call grants.

“(B) For fiscal year 2008, $67,043,000 of

which $7,586,000 is for research, $17,496,000

is for State Grants, $1,043,000 is for one call

grants, $1,500,000 is for damage prevention

grants, and $500,000 is for technology grants.

“(C) For fiscal year 2009, $72,045,000 of

which $7,586,000 is for research, $18,187,000

is for State Grants, $1,065,000 is for one call

grants, $1,750,000 is for damage prevention

grants, and $511,000 is for technology grants.

“(D) For fiscal year 2010, $76,580,000 of

which $7,586,000 is for research, $18,643,000

is for State Grants, $1,088,000 is for one call
grants, $2,000,000 is for damage prevention grants, and $521,000 is for technology grants.

“(2) TRUST FUND AMOUNTS.—In addition to the amounts authorized to be appropriated by paragraph (1) the following amounts are authorized from the Oil Spill Liability Trust Fund to carry out the provisions of this chapter related to gas and hazardous liquid:

“(A) For fiscal year 2007, $18,810,000 of which $4,207,000 is for research and $2,682,000 is for State Grants.

“(B) For fiscal year 2008, $19,000,000 of which $4,207,000 is for research and $2,682,000 is for State Grants.

“(C) For fiscal year 2009, $19,500,000 of which $4,207,000 is for research and $3,103,000 is for State Grants.

“(D) For fiscal year 2010, $20,000,000 of which $4,207,000 is for research and $3,603,000 is for State Grants.”.

(b) INSPECTOR STAFFING.—The Secretary shall ensure that the number of positions for pipeline inspection and enforcement personnel at the Pipeline and Hazardous Materials Safety Administration not fall below 100 for fis-
(c) **CONFORMING AMENDMENTS.**—

(1) Section 60125 is amended—

(A) by striking subsection (c) and redesignating subsections (d) and (e) as subsections (e) and (d), respectively; and

(B) by striking “2003 through 2006” in paragraph (2) of subsection (e), as redesignated, and inserting “2007 through 2010”.

(2) Section 6107 is amended—

(A) by striking “2003 through 2006.” in subsection (a) and inserting “2007 through 2010.”; and

(B) by striking “2003 through 2006.” in subsection (b) and inserting “2007 through 2010.”.

(3) Section 5128 is amended—

(A) by adding at the end of subsection (a) the following:

“(5) For fiscal year 2009, such sums as may be necessary.

“(6) For fiscal year 2010, such sums as may be necessary.”;
(B) by striking “through 2008” in subsection (b) and inserting “through 2010”; and

(C) by striking “through 2008.” in subsection (c) and inserting “through 2010.”.