

1 **SEC. 2. PIPELINE SAFETY AND DAMAGE PREVENTION.**

2 (a) ONE CALL CIVIL ENFORCEMENT.—(1) Section
3 60114 is amended by adding at the end the following new
4 subsection:

5 “(d) PROHIBITION.—A person who engages in demo-
6 lition, excavation, tunneling, or construction—

7 “(1) may not engage in such demolition, exca-
8 vation, tunneling, or construction activity in a State
9 that has adopted a one-call notification system with-
10 out first using that system to establish the location
11 of underground facilities in the demolition, exca-
12 vation, tunneling, or construction area;

13 “(2) may not engage in such demolition, exca-
14 vation, tunneling, or construction activity in dis-
15 regard of location information or markings estab-
16 lished by a pipeline facility operator pursuant to
17 subsection (b);

18 “(3) may not fail to take reasonable steps to
19 ensure safe demolition, excavation, tunneling, or con-
20 struction to prevent damage to a pipeline; and

21 “(4) if the person damages, or becomes aware
22 of damage to, a pipeline facility and such damage
23 may endanger life or cause serious bodily harm or
24 damage to property, may not fail to promptly report
25 the damage to the owner or operator of the facility
26 and, if the damage results in the escape of any flam-

1 mable, toxic, or corrosive gas or liquid, may not fail
2 to promptly report to other appropriate authorities
3 by calling the 911 emergency telephone number.

4 “(e) LIMITATION.—The Secretary may not conduct
5 an enforcement proceeding under subsection (d) within the
6 boundaries of a State that has the authority to impose
7 penalties described in section 60134(b)(7) against persons
8 who violate that State’s damage prevention laws, unless
9 the Secretary has determined that the State’s enforcement
10 is inadequate to protect safety, consistent with this chap-
11 ter.”.

12 (2) Section 60122(a)(1) is amended by striking
13 “60114(b)” and inserting “60114(b) or (d)”.

14 (b) STATE DAMAGE PREVENTION PROGRAMS.—(1)
15 Section 60105(b)(4) is amended to read as follows:

16 “(4) is encouraging and promoting the estab-
17 lishment of a program designed to prevent damage
18 by demolition, excavation, tunneling, or construction
19 activity to the pipeline facilities to which the certifi-
20 cation applies that subjects persons who violate the
21 applicable requirements of that program to civil pen-
22 alties and other enforcement actions that are sub-
23 stantially the same as are provided under this chap-
24 ter, and addresses the elements in section
25 60134(b);”.

1 (2) Chapter 601 is amended by adding at the end
2 the following new section:

3 **“§ 60134. State damage prevention programs**

4 “(a) ELIGIBILITY.—A State authority (including a
5 municipality if the agreement under section 60106(a) or
6 (b) applies to intrastate gas pipeline transportation) shall
7 be eligible for a grant under this section only if—

8 “(1) it has an annual certification under section
9 60105 or an agreement under section 60106; and

10 “(2) either—

11 “(A) it is from a State that has an effec-
12 tive damage prevention program that meets the
13 requirements of subsection (b); or

14 “(B) it demonstrates that it has made sub-
15 stantial progress toward establishing such a
16 program, and that such program will meet the
17 requirements of subsection (b).

18 “(b) DAMAGE PREVENTION PROGRAM ELEMENTS.—
19 An effective damage prevention program includes the fol-
20 lowing elements:

21 “(1) Participation by operators, excavators, and
22 other stakeholders in the development and imple-
23 mentation of methods for establishing and maintain-
24 ing effective communications among stakeholders
25 from receipt of a notification of demolition, exca-

1 vation, tunneling, or construction until successful
2 completion of the demolition, excavation, tunneling,
3 or construction, as appropriate.

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

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

12 “(4) Participation by operators, excavators, the
13 one-call center, the enforcing agency, and other
14 stakeholders in the development and implementation
15 of effective training programs for the employees of
16 operators, excavators, and locators.

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

20 “(6) A process for resolving disputes that de-
21 fines the State authority’s role as a partner and
22 facilitator to resolve issues.

23 “(7) Enforcement of State damage prevention
24 laws and regulations for all aspects of the demoli-
25 tion, excavation, tunneling, or construction process,

1 including public education, and the use of civil pen-
2 alties for violations assessable by the appropriate
3 State authority.

4 “(8) A process for fostering and promoting the
5 use, by all appropriate stakeholders, of improving
6 technologies that may enhance communications, un-
7 derground pipeline locating capability, and gathering
8 and analyzing information about the accuracy and
9 effectiveness of locating programs.

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

14 “(c) GRANTS TO STATES.—

15 “(1) IN GENERAL.—The Secretary may make a
16 grant of financial assistance to a State authority
17 that is eligible under this section to assist in improv-
18 ing the overall quality and effectiveness of a damage
19 prevention program of a State. In making grants
20 under this section, the Secretary shall take into con-
21 sideration the commitment of each State to ensuring
22 the effectiveness of its damage prevention program,
23 including legislative and regulatory actions taken by
24 the State.

1 “(2) APPLICATION.—If a State authority files
2 an application for a grant under this section not
3 later than September 30 of a calendar year, the Sec-
4 retary of Transportation shall review the State’s
5 damage prevention program to determine its effec-
6 tiveness. For programs determined to be effective,
7 the Secretary may make a grant of financial assist-
8 ance for the cost of the personnel, equipment, and
9 activities the authority reasonably requires during
10 the next calendar year to carry out an effective dam-
11 age prevention enforcement program. A grant made
12 under this section is not subject to the section
13 60107(a) limitation on the maximum percentage of
14 funds to be paid by the Secretary. Funds provided
15 under this section may not be used for lobbying or
16 in direct support of litigation.”.

17 (3) In the table of sections of chapter 601, the fol-
18 lowing item is added at the end:

 “60134. State damage prevention programs.”.

19 (c) STATE PIPELINE SAFETY GRANTS.—Section
20 60107(a) is amended by striking “not more than 50 per-
21 cent” and inserting “not more than 80 percent”.

22 (d) DAMAGE PREVENTION TECHNOLOGY DEVELOP-
23 MENT.—Section 60114 (as amended by this section) is
24 further amended by adding at the end the following new
25 subsection:

1 “(e) TECHNOLOGY DEVELOPMENT GRANTS.—To the
2 extent and in the amount provided in advance in appro-
3 priations acts, the Secretary may make grants to any or-
4 ganization or entity (not including for-profit entities) for
5 the development of technologies that will facilitate the pre-
6 vention of pipeline damage caused by demolition, exca-
7 vation, tunneling, or construction activities, with emphasis
8 on wireless and global positioning technologies having po-
9 tential for use in connection with notification systems and
10 underground facility locating and marking services. Funds
11 provided under this subsection may not be used for lob-
12 bying or in direct support of litigation. The Secretary may
13 also support such technology development through cooper-
14 ative agreements with trade associations, academic institu-
15 tions, and other organizations.”.

16 (e) PUBLIC EDUCATION AND AWARENESS.—

17 (1) AMENDMENT.—Chapter 61 of title 49,
18 United States Code, is amended by adding at the
19 end the following new section:

20 **“§ 6109. Public education and awareness**

21 “(a) GRANT AUTHORITY.—The Secretary shall make
22 a grant to an appropriate entity for promoting public edu-
23 cation and awareness with respect to the 811 national ex-
24 cavation damage prevention phone number.

1 “(b) AUTHORIZATION OF APPROPRIATIONS.—There
2 are authorized to be appropriated to the Secretary
3 \$1,000,000 for fiscal year 2007 for carrying out this sec-
4 tion.”.

5 (2) CONFORMING AMENDMENT.—The table of
6 sections of chapter 61 of title 49, United States
7 Code, is amended by adding at the end the following
8 new item:

“6109. Public education and awareness.”.

9 (f) SAFETY ORDERS.—Section 60117(l) is amended
10 to read as follows:

11 “(l) SAFETY ORDERS.—

12 “(1) IN GENERAL.—Not later than 1 year after
13 the date of enactment of the Pipeline Safety and Im-
14 provement Act of 2006, the Secretary shall issue
15 regulations providing that, after notice and oppor-
16 tunity for a hearing, if the Secretary determines that
17 a pipeline facility has a condition that poses a pipe-
18 line integrity risk to public safety, property, or the
19 environment, the Secretary may order the operator
20 of the facility to take necessary corrective action, in-
21 cluding physical inspection, testing, repair, replace-
22 ment, or other appropriate action, to remedy that
23 condition.

24 “(2) CONSIDERATIONS.—In making a deter-
25 mination under paragraph (1), the Secretary shall,

1 if relevant, and pursuant to the regulations issued
2 under paragraph (1), consider—

3 “(A) the considerations specified in section
4 60112(b);

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

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

9 “(D) the likelihood that the condition is
10 present or could develop on other areas of the
11 pipeline.”.

12 (g) INTEGRITY PROGRAM ENFORCEMENT.—Section
13 60109(c)(9)(A)(iii) is amended to read as follows:

14 “(iii) INADEQUATE PROGRAMS.—If
15 the Secretary determines that a risk anal-
16 ysis or integrity management program does
17 not comply with the requirements of this
18 subsection or regulations issued as de-
19 scribed in paragraph (2), has not been ade-
20 quately implemented, or is inadequate for
21 the safe operation of a pipeline facility, the
22 Secretary may conduct proceedings under
23 sections 60108(a), 60112, 60118(a) and
24 (b), 60120, 60122, or any other section of
25 this chapter.”.

1 (h) LOW-STRESS PIPELINES.—Section 60102(k) is
2 amended to read as follows:

3 “(k) LOW-STRESS HAZARDOUS LIQUID PIPE-
4 LINES.—

5 “(1) MINIMUM STANDARDS.—Not later than 12
6 months after the date of enactment of the Pipeline
7 Safety Improvement Act of 2006, the Secretary shall
8 issue regulations subjecting low-stress hazardous liq-
9 uid pipelines to the same standards and regulations
10 as other hazardous liquid pipelines, except as pro-
11 vided in paragraph (3). The implementation of the
12 applicable standards and regulatory requirements
13 may be phased in. The regulations issued under this
14 paragraph shall not apply to gathering lines.

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

21 “(3) LIMITED EXCEPTIONS.—The Secretary
22 shall provide or continue in force exceptions to this
23 subsection for low-stress hazardous liquid pipelines
24 that—

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

3 “(B) serve refining, manufacturing, or
4 truck, rail, or vessel terminal facilities, if the
5 pipeline is less than 1 mile long (measured out-
6 side the facility grounds) and does not cross an
7 offshore area or a waterway currently used for
8 commercial navigation,
9 until regulations issued under paragraph (1) become
10 effective, after which the Secretary may retain or re-
11 move those exceptions as appropriate.

12 “(4) RELATIONSHIP TO OTHER LAWS.—Noth-
13 ing in this subsection shall be construed to prohibit
14 or otherwise affect the applicability of any other
15 statutory or regulatory exemption to any hazardous
16 liquid pipeline.

17 “(5) DEFINITION.—For purposes of this sub-
18 section, the term ‘low-stress hazardous liquid pipe-
19 line’ means a hazardous liquid pipeline that is oper-
20 ated in its entirety at a stress level of 20 percent or
21 less of the specified minimum yield strength of the
22 line pipe.

23 “(6) EFFECTIVE DATE.—The requirements of
24 this subsection shall not take effect as to low-stress
25 hazardous liquid pipeline operators before the effec-

1 tive date of the rules promulgated by the Secretary
2 under this subsection.”.

3 (i) CORROSION CONTROL REGULATIONS.—The Sec-
4 retary of Transportation, in consultation with the Tech-
5 nical Hazardous Liquid Pipeline Safety Standards Com-
6 mittee and other appropriate entities, shall review the in-
7 ternal corrosion control regulations set forth in subpart
8 H of part 195 of title 49 of the Code of Federal Regula-
9 tions to determine if such regulations are currently ade-
10 quate to ensure that the pipeline facilities subject to such
11 regulations will not present a hazard to public safety or
12 the environment. The Secretary shall submit a report to
13 the Congress within one year after the date of enactment
14 of this Act containing the results of such review, and may
15 modify such regulations if necessary and appropriate.

16 (j) CRITICAL ENERGY INFRASTRUCTURE STUDY.—
17 The Secretary of Energy, in consultation with the Sec-
18 retary of Transportation, shall analyze the domestic trans-
19 port of crude oil and other petroleum products by pipeline.
20 Such analysis shall identify areas where reliability con-
21 cerns exist or where failure or unplanned loss of individual
22 pipeline facilities may cause shortages of crude oil or other
23 petroleum products or price disruptions. Not later than
24 one year after the date of enactment of this Act, the Secre-
25 taries shall submit a report to the Congress setting forth

1 their recommendations to reduce the likelihood of such
2 shortages or disruptions.

3 (k) NATURAL GAS PIPELINES.—The Secretary shall
4 review and comment on the Comptroller General report
5 issued under section 14(d)(1) of the Pipeline Safety Im-
6 provement Act of 2002 (49 U.S.C. 60109 note), and not
7 later than 60 days after the date of enactment of this Act,
8 transmit to the Congress any legislative recommendations
9 the Secretary considers necessary and appropriate to im-
10 plement the conclusions of that report.

11 (l) TECHNICAL ASSISTANCE GRANTS.—Section
12 60130 is amended—

13 (1) in subsection (a)(1) by striking “The Sec-
14 retary shall establish competitive” and insert “No
15 grants may be awarded under section 60114(e) until
16 the Secretary has established competitive”;

17 (2) by redesignating paragraph (2) of sub-
18 section (a) as paragraph (4);

19 (3) by inserting after paragraph (1) of sub-
20 section (a) the following new paragraphs:

21 “(2) DEMONSTRATION GRANTS.—At least the
22 first 3 grants awarded under this section shall be
23 demonstration grants for the purpose of dem-
24 onstrating and evaluating the utility of grants under

1 this section. Each such demonstration grant shall
2 not exceed \$25,000.

3 “(3) DISSEMINATION OF TECHNICAL FIND-
4 INGS.—Each recipient of a grant under this section
5 shall ensure that the technical findings made pos-
6 sible by the grants are made available to the rel-
7 evant operators, and that open communication be-
8 tween the grant recipients, local operators, local
9 communities, and other interested parties is encour-
10 aged.”; and

11 (4) in subsection (d) by striking “2006” and in-
12 serting “2010”.

13 (m) ENFORCEMENT TRANSPARENCY.—(1) Chapter
14 601, as amended by this section, is amended by adding
15 at the end the following new section:

16 **“§ 60135. Enforcement transparency.**

17 “(a) IN GENERAL.—Not later than 12 months after
18 the date of enactment of this section, the Secretary shall—

19 “(1) provide a monthly updated summary to
20 the public of all gas and hazardous liquid pipeline
21 enforcement actions taken by the Secretary or the
22 Pipeline and Hazardous Materials Safety Adminis-
23 tration, from the time a notice commencing an en-
24 forcement action is issued until the enforcement ac-
25 tion is final. Each summary shall include identifica-

1 tion of the operator involved in the enforcement ac-
2 tivity, the type of alleged violation, the penalty or
3 penalties proposed, any changes in case status since
4 the previous summary, the final assessment amount
5 of each penalty, and the reasons for a reduction in
6 the proposed penalty, if appropriate; and

7 “(2) provide a mechanism by which a pipeline
8 operator named in an enforcement action may make
9 information, explanations, or documents it believes
10 are responsive to the enforcement action available to
11 the public.

12 “(b) ELECTRONIC POSTING.—Each summary re-
13 quired under this section shall be made available to the
14 public via posting by electronic means.

15 “(c) RELATIONSHIP TO FOIA.—Nothing in this sec-
16 tion shall be construed to require disclosure of information
17 or records that would be exempt from disclosure under
18 section 552 of title 5, United States Code (commonly
19 known as the Freedom of Information Act).”.

20 (2) In the table of sections of chapter 601, as amend-
21 ed by this section, the following item is added at the end:

 “60135. Enforcement transparency.”.

22 (n) COST REIMBURSEMENTS.—Section 60117 is
23 amended by adding at the end the following new sub-
24 section:

1 “(n) COST RECOVERY FOR DESIGN REVIEWS.—If the
2 Secretary conducts facility design safety reviews in con-
3 nection with a proposal to construct, expand, or operate
4 a liquefied natural gas pipeline facility, the Secretary may
5 require the person requesting such reviews to pay the asso-
6 ciated staff costs relating to such reviews incurred by the
7 Secretary, such funds to be deposited into the pipeline
8 safety fund. Funds deposited pursuant to this section are
9 authorized to be appropriated for the purposes set forth
10 in section 60301(d). The Secretary may assess such costs
11 in any reasonable manner.”.

12 (o) DIRECT LINE SALES.—Section 60101(a) is
13 amended—

14 (1) by amending paragraph (6) to read as fol-
15 lows:

16 “(6) ‘interstate gas pipeline facility’ means a
17 gas pipeline facility—

18 “(A) used to transport gas; and

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

22 (2) by amending paragraph (9) to read as fol-
23 lows:

24 “(9) ‘intrastate gas pipeline facility’ means a
25 gas pipeline facility and transportation of gas within

1 a State not subject to the jurisdiction of the Com-
2 mission under the Natural Gas Act (15 U.S.C. 717
3 et seq.);”.

4 **SEC. 3. DISTRIBUTION INTEGRITY MANAGEMENT PRO-**
5 **GRAM RULEMAKING DEADLINE.**

6 Section 60109 of title 49, United States Code, is
7 amended by adding at the end the following:

8 “(e) DISTRIBUTION INTEGRITY MANAGEMENT PRO-
9 GRAMS.—Not later than 1 year after the date of enact-
10 ment of this subsection, the Secretary shall prescribe min-
11 imum standards for integrity management programs for
12 distribution pipelines.”.

13 **SEC. 4. AUTHORIZATION OF APPROPRIATIONS.**

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

15 “(a) GAS AND HAZARDOUS LIQUID.—To carry out
16 this chapter (except for section 60107) related to gas and
17 hazardous liquid, the following amounts are authorized to
18 be appropriated to the Secretary, from fees collected under
19 section 60301 in each respective year, and from the Oil
20 Spill Liability Trust Fund:

21 “(1) For fiscal year 2007, \$55,497,000, of
22 which \$39,872,000 shall be from fees and
23 \$15,625,000 shall be from the Fund.

1 “(2) For fiscal year 2008, \$57,997,000, of
2 which \$42,651,000 shall be from fees and
3 \$15,346,000 shall be from the Fund.

4 “(3) For fiscal year 2009, \$60,482,000, of
5 which \$44,839,000 shall be from fees and
6 \$15,643,000 shall be from the Fund.

7 “(4) For fiscal year 2010, \$62,375,000, of
8 which \$46,444,000 shall be from fees and
9 \$15,931,000 shall be from the Fund.”.

10 (b) Section 60125(b)(l) is amended to read as follows:

11 “(1) To carry out section 60107, the following
12 amounts are authorized to be appropriated to the
13 Secretary, from fees collected under section 60301
14 in each respective year, and from the Oil Spill Li-
15 ability Trust Fund:

16 “(A) For fiscal year 2007, \$20,238,000, of
17 which \$17,053,000 shall be from fees and
18 \$3,185,000 shall be from the Fund.

19 “(B) For fiscal year 2008, \$23,221,000, of
20 which \$19,567,000 shall be from fees and
21 \$3,654,000 shall be from the Fund. Of the
22 amount appropriated, \$1,500,000 shall be avail-
23 able for fiscal year 2008 for the grants to
24 States authorized in section 60134.

1 “(C) For fiscal year 2009, \$24,513,000, of
2 which \$20,656,000 shall be from fees and
3 \$3,857,000 shall be from the Fund. Of the
4 amount appropriated, \$1,750,000 shall be avail-
5 able for fiscal year 2009 for the grants to
6 States authorized in section 60134.

7 “(D) For fiscal year 2010, \$25,855,000, of
8 which \$21,786,000 shall be from fees and
9 \$4,069,000 shall be from the Fund. Of the
10 amount appropriated, \$2,000,000 shall be avail-
11 able for fiscal year 2010 for the grants to
12 States authorized in section 60134.”.

13 (c) Section 60125(c) is repealed.

14 (d) Subsections (d) and (e) of section 60125 are re-
15 designated as subsections (c) and (d), respectively.

16 (e) Section 60125(c)(2), as so redesignated by sub-
17 section (d) of this section, is amended by striking “2003
18 through 2006” and inserting “2007 through 2010”.

19 (f) Section 6105(c)(2) is amended by striking “fiscal
20 years 2003 through 2006” and inserting “fiscal years
21 2007 through 2010”.

22 (g) Section 6107 is amended—

23 (1) in subsection (a), by striking “fiscal years
24 2003 through 2006” and inserting “fiscal years
25 2007 through 2010”; and

1 (2) in subsection (b), by striking “for fiscal
2 years 2003 through 2006” and inserting “for fiscal
3 years 2007 through 2010”.